

# Montana Board of Housing — Board Meeting

**Meeting Location:** Zoom

**Date:** June 8, 2026

**Time:** 8:30 a.m.

**Board Chair:** Bruce Posey

**Remote Attendance:** Join our meeting in person or remotely via Zoom and/or phone.

**Conference Call:**

- Dial: 1-646-558-8656
- Meeting ID: 896 4237 9574
- Password: 801117

**Register for Webinar:** [mt-gov.zoom.us/meeting/register/tZwfk-qpqjkoEtTQNYgNB23ryez6Nh6ZIGr1](https://mt-gov.zoom.us/join/mt-gov.zoom.us/meeting/register/tZwfk-qpqjkoEtTQNYgNB23ryez6Nh6ZIGr1)

## **Board Offices:**

Montana Department of Commerce

Montana Board of Housing

301 S. Park Ave., Room 240

Helena, MT 59601

406-841-2840

## **Agenda Items**

- Meeting Announcement
- Introductions
- Public Comments – Public comment is welcome on any public matter that is not on the agenda and that is within the jurisdiction of the Board
- Approve prior meeting's minutes
- Homeownership Program (Jessica Michel)

- Income Limits for Board Approval
- Purchase Price Limits for Board Approval
- Habitat for Humanity FY2027 Set-Aside Request
- Community Land Trust Set-Aside and CLT with Habitat for Humanity Homes Set-Aside Requests
- Homeownership Update
- Mortgage Servicing (Jesse Ennis)
  - Mortgage Servicing Update
- Operations/Executive Director (Joe DeFilippis + Cheryl Cohen)
  - Rental Assistance Update (Cheryl Cohen)
  - Operations / Executive Director Update
- Multifamily Program (Jason Hanson)
  - Multifamily Update
  - Skyview Unit Count Reduction Request
  - Competitive Multifamily Loan Application Presentations and Selections
- Miscellaneous
- Meeting Adjourns

All agenda items are subject to board action after public comment requirements are fulfilled.

Commerce/MBOH makes every effort to hold meetings at fully accessible facilities. Any person needing reasonable accommodation must notify the MBOH at 406-841-2840 or visit Montana Relay 711: [dphhs.mt.gov/detd/mtap/traditionalrelayservice](https://dphhs.mt.gov/detd/mtap/traditionalrelayservice) before the scheduled meeting to allow for arrangements. Third-party documents may not be accessible. To request an accessible version, contact [housing@mt.gov](mailto:housing@mt.gov).

## 2026 Montana Board of Housing Calendar

Board meetings are generally held the second Monday of each month, excluding Mondays that conflict with other conferences or networking opportunities. In April and October, a board training and strategic planning session is held on Monday, with the board meeting following on Tuesday. All board meetings begin at 8:30 a.m.

### **Board meetings (training and strategic planning dates in green):**

- Monday, Jan. 12 via Zoom
- Monday, Feb. 9 via Zoom
- Monday, March 16 via Zoom
- **Monday, April 13 — Hamilton, MT**
- Tuesday, April 14 — Hamilton
- Monday, May 11 (Great Northern Hotel, Helena, MT, LOI Presentations)
- Tuesday, May 12 (Great Northern Hotel, Helena, MT, LOI Invitations to Apply)
- Monday, June 8 via Zoom
- Monday, July 20 via Zoom
- Monday, Aug. 10 via Zoom
- Monday, Sept. 14 via Zoom
- **Monday, Oct. 19 — Miles City, MT**
- Tuesday, Oct. 20 via Zoom (LIHTC 9% Awards and QAP) — Miles City, MT
- Monday, Nov. 16 via Zoom
- Monday, Dec. 14 via Zoom (subject to cancellation)

## **Conferences and Networking Opportunities**

Board members will receive updates on conference agendas, early bird registration deadlines and related logistics from board staff as more detailed information is available.

1. Commerce 10-city Roadshow
2. Saturday, Oct. 3-Tuesday, Oct. 6: NCSHA Annual Conference, Detroit, MI

**Meeting Location:** Virtual via Zoom or in-person at the Best Western, Helena, MT

**Date:** May 12, 2026

**Time:** 8:30 am

**Roll Call of Board Members:**

Bruce Posey, Chair (Present)

Sheila Rice (Present via Zoom)

Amber Parish (Present)

Jeanette McKee (Present)

Richard Miltenberger (Present via Zoom)

Rachel Arthur (Present)

Ryan Aikin (Absent)

**Staff:**

Cheryl Cohen, Executive Director

Jessica Michel, Homeownership Manager

Logan Colberg, Executive Assistant

Jason Hanson, Multifamily Manager

Joe DeFilippis, Operations Manager

Megan Surginer, Administrative Manager

Brian Barnes, Multifamily Program

Jesse Ennis, Mortgage Servicing Manager

Kellie Guariglia, Multifamily Program

Bruce Brensdal, Multifamily Program

Ashley Miller, Finance Program

Charles Brown, Homeownership Program

Danyel Bauer, Daily Ops Supervisor

Julie Flynn, Community Housing Manager

**Counsel:**

Nathan Bilyeu

Grace Berner

*These written minutes, together with the audio recordings of this meeting and the Board Packet, constitute the official minutes of the referenced meeting of the Montana Board of Housing (MBOH). References in these written minutes to tapes (e.g., FILE 1 – 4:34) refer to the location in the audio recordings of the meeting where the discussion occurred, and the page numbers refer to the page in the Board Packet. The audio recordings and Board Packet of the MBOH meeting of this date are hereby incorporated by reference and made a part of these minutes. The referenced audio recordings and Board Packet are available on the MBOH webpage at [Past Meetings and Minutes](#).*

**Others:**

Andrew Walker	Ezra Paul	Mina Choo	Misty Dalke
Becki Brandiburg	Parker Webb	Gene Leuwer	Angie Furgeson
Partick Zhang	Shane Walke	Alex Burkhalter	Carissa Trujillo
Tyler Currence	Drew Page	Heather McMilin	Don Sternhan
Deby Albright	Tyson O'Connell	Sam Oliver	Seth O'Connell
Elena Vanderall	Andrew Conel	Anita Cass	Austin Trunkel
Eddie Starz	Evelyn Camp	Grant Schnell	James Carmody
Jim Morton	Logan Anderson	Jennifer Wheeler	Larry Phillips
Matt Belles	Mike Buchee	Tiffany Hapney	

**Call Meeting to Order:**

00:00:00 Board Chair Bruce Posey called the Montana Board of Housing (MBOH) meeting to order at 8:30 a.m.

00:00:30 Reading the AI State Policy

00:01:00 Introductions of Board members, Board staff, and attendees were made.

00:06:00 Board Chair Posey asked Public Comment for anything under the Board's jurisdiction but not included on today's agenda. All materials provided by third party attendees during Monday May 11 Board meeting have been published on the website will the meeting materials.

**Approval of Minutes:****April 14 MBOH Board Meeting Minutes – See April Minutes in April's Board Packet**

00:06:20 Motion: Sheila Rice  
Second: Amber Parish  
April 14, 2026 MBOH Board meeting minutes were approved unanimously.

**Multifamily Program:****Multifamily Update**

00:06:57      Presenter: Jason Hanson

00:09:11      Gene Leuwer provided comments regarding the status of Skyview project timelines to answer Board questions.

00:17:30      Heather McMilin provided comments regarding the status of LB Lofts 9% project timelines to answer Board questions.

**Pre-application Selection**

00:22:28      Presenter: Jason Hanson

Each Board member highlighted their top eight projects to be forwarded in the selection process, please see the meeting recording for their full explanation.

01:10:03      Presenter: Jason Hanson

The Board reconvened to finalize the top eight projects selected. Jim Morton provided public comment thanking the Board for the work and feedback provided on the projects presented.

Motion: Jeanette McKee

Second: Rachel Arthur

The motion to forward Franklin Crossing 9%, Glacier View Senior, Libby Plaza 1 & 2, Homes on the Range, Tumbleweed Court, Granite Peak Apartments 9, Majestic Landing, and Mountain Goat Court to full application was approved unanimously.

**RC 3 bond resolution**

01:16:40      Presenter: Jason Hanson

Motion: Rachel Arthur

Second: Richard Miltenberger

The motion to approve RC 3 Bond Resolution No. 26-0512-MF06 in the amount not to exceed \$15,000,000 was approved unanimously.

**Mountain View Manor Bond Resolution**

01:20:00      Presenter: Jason Hanson

                 Motion: Amber Parish

                 Second: Jeanette McKee

                 The motion to approve Mountain View Manor Bond Resolution No. 26-0317-MF07 in the amount not to exceed \$12,000,000 was approved unanimously.

01:26:15      The motion to approve Mountain View Manor Bond Resolution No. 26-0317-MF07 in the amount not to exceed \$12,000,000 was amended to read as the amount not to exceed \$11,000,000.

                 Motion: Jeanette McKee

                 Second: Rachel Arthur

                 The motion to approve Mountain View Manor Bond Resolution No. 26-0317-MF07 in the amount not to exceed \$11,000,000 was approved unanimously.

**Wildflower 4 Bond Resolution**

01:22:08      Presenter: Jason Hanson

                 Motion: Richard Miltenberger

                 Second: Sheila Rice

                 The motion to approve Wildflower 4 Bond Resolution No. 26-0317-MF05 in the amount not to exceed \$12,000,000 was approved unanimously.

**Goldspur Bond Resolution**

01:24:11      Presenter: Jason Hanson

                 Motion: Amber Parish

                 Second: Rachel Arthur

                 The motion to approve Goldspur Bond Resolution No. 26-512-MF08 in the amount not to exceed \$30,000,000 was approved unanimously.

**Finance Program:****Finance Update**

01:28:25     Presenter: Cheryl Cohen

**Homeownership Program:****Approval of Lender – American Pacific Mortgage**

01:32:18     Presenter: Jessica Michel

Motion: Sheila Rice

Second: Amber Parish

The motion to approve American Pacific Mortgage as a Lendor passed unanimously.

**Homeownership Update**

01:35:38     Presenter: Jessica Michel

**Mortgage Servicing Program:****Servicing Update**

01:40:23     Presenter: Jesse Ennis

**Operations/Executive Director Update**

01:41:42     Presenter: Joe DeFilippis and Cheryl Cohen

**Meeting Adjournment:**

02:08:07     Meeting was adjourned at 10:45 a.m.

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Amber Parish, Secretary

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Date

# Board Agenda Item

Board meeting: June 8, 2026

## Homeownership Program

### Income Limit Approval

#### **Background**

The Board's Administrative Rules require that each June, or at other times as necessary, the Board is to review, establish and revise income limits for lower income persons and families in need of housing assistance under the Board's programs.

In Revenue Procedure 2026-23, the Internal Revenue Service provided permanent safe harbor income limit guidance for single family mortgage revenue bonds and mortgage credit certificates by referencing the income numbers released annually by the U.S. Department of Housing and Urban Development. On May 1, 2026, HUD released its income limits for 2026.

To determine the Board's income limits, we have the option of using either the 2025 or 2026 HUD income numbers, and the option of applying the high-cost area adjustment.

Staff reviewed the calculations and determined that using 2026 data would allow us to assist more borrowers. The new income limits are attached for Board member review.

#### **Staff Recommendation**

The Board has the option of setting program income limits at or below the safe harbor limits. Staff recommend that the Board approve the attached income limits.

	2025 HUD Income Limits		2026 HUD Income Limits		Diff	Diff	Diff	Diff
	Small Household	Large Household	Small Household	Large Household				
Beaverhead	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
Big Horn	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
* Blaine	114,840	133,980	123,720	144,340	8%	8,880	10,360	8%
Broadwater	97,774	112,440	103,100	118,565	5%	5,326	6,125	5%
Carbon	116,520	135,940	128,160	149,520	10%	11,640	13,580	10%
Carter	98,074	113,935	103,134	118,605	5%	5,060	4,670	4%
Cascade	98,374	113,130	103,134	118,605	5%	4,760	5,475	5%
* City of Great Falls	114,840	133,980	123,720	144,340	8%	8,880	10,360	8%
Chouteau	98,654	113,452	103,134	118,605	5%	4,480	5,153	5%
Custer	97,634	112,279	103,100	118,565	6%	5,466	6,286	6%
Daniels	98,094	112,808	103,100	118,565	5%	5,006	5,757	5%
Dawson	98,214	112,946	103,100	118,565	5%	4,886	5,619	5%
* Deer Lodge	114,840	133,980	123,720	144,340	8%	8,880	10,360	8%
Fallon	115,000	132,250	119,800	137,770	4%	4,800	5,520	4%
Fergus	98,474	113,245	103,134	118,605	5%	4,660	5,360	5%
* Flathead	115,800	135,100	123,720	144,340	7%	7,920	9,240	7%
Gallatin	135,976	156,373	135,075	155,336	-1%	(901)	(1,037)	-1%
* Gallatin Census Tracts 7.03	142,800	166,600	156,240	182,280	9%	13,440	15,680	9%
Garfield	98,594	113,383	103,134	118,605	5%	4,540	5,222	5%
Glacier	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%

<b>* Glacier census tract 9402</b>	<b>114,840</b>	<b>133,980</b>	<b>123,720</b>	<b>144,340</b>	8%	8,880	10,360	8%
Golden Valley	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
Granite	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
<b>* Hill</b>	<b>114,840</b>	<b>133,980</b>	<b>123,720</b>	<b>144,340</b>	8%	8,880	10,360	8%
Jefferson	104,300	119,945	114,700	131,905	10%	10,400	11,960	10%
Judith Basin	98,714	113,521	103,134	118,605	4%	4,420	5,084	4%
Lake	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
Lewis & Clark	107,000	123,050	117,700	135,355	10%	10,700	12,305	10%
Liberty	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
Lincoln	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
<b>* Lincoln Census Tr 4.02</b>	<b>114,840</b>	<b>133,980</b>	<b>123,720</b>	<b>144,340</b>	8%	8,880	10,360	8%
McCone	97,335	111,934	103,100	118,565	6%	5,765	6,631	6%
Madison	99,074	113,935	103,100	118,565	4%	4,026	4,630	4%
Meagher	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
<b>* Mineral</b>	<b>114,840</b>	<b>133,980</b>	<b>123,720</b>	<b>144,340</b>	8%	8,880	10,360	8%
<b>* Missoula</b>	<b>118,200</b>	<b>137,900</b>	<b>129,960</b>	<b>151,620</b>	10%	11,760	13,720	10%
Musselshell	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
Park	105,144	120,916	107,194	123,273	2%	2,050	2,357	2%
Petroleum	98,094	112,808	103,134	118,605	5%	5,040	5,797	5%
Phillips	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
Pondera	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
Powder River	99,074	113,935	103,100	118,565	4%	4,026	4,630	4%
Powell	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
Prairie	99,054	113,912	103,134	118,605	4%	4,080	4,693	4%

Ravalli	97,894	112,578	106,960	123,005	9%	9,066	10,427	9%
Richland	97,654	112,302	103,100	118,565	6%	5,446	6,263	6%
Roosevelt	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
Rosebud	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
* Sanders	114,840	133,980	123,720	144,340	8%	8,880	10,360	8%
Sheridan	98,500	113,275	103,100	118,565	5%	4,600	5,290	5%
* Silver Bow	114,840	133,980	123,720	144,340	8%	8,880	10,360	8%
Stillwater	131,880	153,860	134,760	157,220	2%	2,880	3,360	2%
Sweet Grass	97,454	112,072	103,100	118,565	6%	5,646	6,493	6%
Teton	98,634	113,429	103,134	118,605	5%	4,500	5,176	5%
Toole	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
Treasure	98,894	113,728	103,134	118,605	4%	4,240	4,877	4%
Valley	97,534	112,164	103,100	118,565	6%	5,566	6,401	6%
Wheatland	99,074	113,935	103,134	118,605	4%	4,060	4,670	4%
Wibaux	100,900	116,035	103,100	118,565	2%	2,200	2,530	2%
Yellowstone	116,520	135,940	128,160	149,520	10%	11,640	13,580	10%
Statewide Median Increase	95,700	110,055	103,100	118,565	8%	7,400	8,510	8%

**\*Targeted Areas**

# Board Agenda Item

Board meeting: June 8, 2026

## Homeownership Program

### Purchase Price Limit Review with Option to Change

#### **Background**

On May 6, 2026, the Internal Revenue Service released Revenue Procedure 2026-23 containing safe harbor numbers to be used in establishing purchase price limits for mortgage loans financed with tax-exempt mortgage revenue bonds.

The purchase price limits for our program are determined by multiplying the safe harbor limits by 0.9 for non-targeted areas or 1.1 for targeted areas. The new purchase limits are attached for the Board's review.

The purchase price limit in most counties increased by 4%, while six counties had less of an increase at 1%. Mineral county had the largest increase at 15%. Gallatin county decreased by -1%. These changes are due to the Housing Cost to Income Ratio increasing or decreasing in those counties.

#### **Staff Recommendation**

The Board is not required to approve the purchase price limits for our programs; however, they do have the option to set limits lower than safe harbor limits presented. Given the high home prices throughout the state, staff recommend using the limits as presented to assist as many homebuyers as possible.

County / area	2025 Purchase Price Limit	2026 Purchase Price Limit	Amount of Change	Percent of Change
Beaverhead	544,232	566,463	22,231	4%
Big Horn	544,232	566,463	22,231	4%
* Blaine	665,173	692,343	27,170	4%
Broadwater	544,232	566,463	22,231	4%
Carbon	783,192	789,488	6,296	1%
Carter	544,232	566,463	22,231	4%
Cascade	544,232	566,463	22,231	4%
* City of Great Falls	665,173	692,343	27,170	4%
Chouteau	544,232	566,463	22,231	4%
Custer	544,232	566,463	22,231	4%
Daniels	544,232	566,463	22,231	4%
Dawson	544,232	566,463	22,231	4%
* Deer Lodge	665,173	692,343	27,170	4%
Fallon	544,232	566,463	22,231	4%
Fergus	544,232	566,463	22,231	4%
* Flathead	726,681	786,947	60,266	8%
Gallatin	746,182	752,180	5,998	1%
* Gallatin Census Tract 7.03	912,000	919,331	7,331	1%
Garfield	544,232	566,463	22,231	4%
Glacier	544,232	566,463	22,231	4%
* Glacier Census Tract 9402	665,173	692,343	27,170	4%
Golden Valley	544,232	566,463	22,231	4%
Granite	544,232	566,463	22,231	4%
* Hill	665,173	692,343	27,170	4%
Jefferson	544,232	566,463	22,231	4%
Judith Basin	544,232	566,463	22,231	4%
Lake	544,232	566,463	22,231	4%
Lewis & Clark	544,232	566,463	22,231	4%
Liberty	544,232	566,463	22,231	4%
Lincoln	544,232	566,463	22,231	4%
* Lincoln Census Tract 4.02	665,173	692,343	27,170	4%
Madison	544,232	566,463	22,231	4%

McCone	544,232	566,463	22,231	4%
Meagher	544,232	566,463	22,231	4%
* Mineral	665,173	764,883	99,710	15%
* Missoula	710,630	764,883	54,253	8%
Musselshell	544,232	566,463	22,231	4%
Park	585,006	589,709	4,703	1%
Petroleum	544,232	566,463	22,231	4%
Phillips	544,232	566,463	22,231	4%
Pondera	544,232	566,463	22,231	4%
Powder River	544,232	566,463	22,231	4%
Powell	544,232	566,463	22,231	4%
Prairie	544,232	566,463	22,231	4%
Ravalli	544,232	586,098	41,866	8%
Richland	544,232	566,463	22,231	4%
Roosevelt	544,232	566,463	22,231	4%
Rosebud	544,232	566,463	22,231	4%
* Sanders	665,173	692,343	27,170	4%
Sheridan	544,232	566,463	22,231	4%
* Silver Bow	665,173	692,343	27,170	4%
Stillwater	783,192	789,488	6,296	1%
Sweet Grass	544,232	566,463	22,231	4%
Teton	544,232	566,463	22,231	4%
Toole	544,232	566,463	22,231	4%
Treasure	544,232	566,463	22,231	4%
Valley	544,232	566,463	22,231	4%
Wheatland	544,232	566,463	22,231	4%
Wibaux	544,232	566,463	22,231	4%
Yellowstone	783,192	789,488	6,296	1%

\* Targeted Areas

# Board Agenda Item

Board meeting: June 8, 2026

## Homeownership

### Habitat for Humanity FY2027 Set-Aside Request

State of Montana Habitat for Humanity affiliates request an annual allocation of set-aside funds each fiscal year. At the end of the fiscal year (June 30), any unused portion of the allocation expires.

In July 2025, the Board approved a final \$3,966,000 set-aside allocation for Habitat affiliates. As of May 12, 2026, with loans in process, Habitat affiliates have used \$2,050,496.20, leaving a balance of \$1,915,503.80 that will expire June 30, 2026.

Board staff convened meetings with Habitat for Humanity affiliates on November 18, 2025, and February 12, 2026, to discuss their programs and any potential changes, including partnering with community land trusts, new developmental opportunities, and how MBOH can best partner with Habitat for Humanity affiliates going forward.

MaryBeth Morand, Executive Director of Habitat of Flathead County and the current Habitat for Humanity affiliates Board liaison, has requested set-aside funds for FY2027 in the amount of \$8,432,360 with an expiration date of June 30, 2027.

#### **Breakdown by County**

- Missoula - 2 homes - \$ 500,000
- Billings – 3 homes - \$ 702,000
- Kalispell/Flathead – 6 homes on CLT and 4 townhomes - \$2,992,000
- Hamilton/Ravalli – 4 homes - \$925,000
- Helena – 5 townhomes - \$ 1,245,760

- Belgrade/Bozeman – 3 homes - \$1,050,000
- Butte – 3 homes - \$777,600
- Libby/Kootenai – 1 home - \$240,000

Flathead Habitat for Humanity is requesting that the Board grandfather the rate of the 6 homes in a community land trust at the rate of 2.0% as they have already received applications and partnership agreements from potential borrowers using this lower rate.

Libby Habitat for Humanity is requesting their set aside of \$240,000 for a property that they own and are rehabilitating for a new Habitat borrower. The purchase price of the home is \$205,000 and construction costs of approximately \$35,000. The home needs new flooring, light fixtures, doors, windows and interior trim throughout, new kitchen cabinets, paint interior and exterior, gutter installation and both bathrooms completely redone including drywall. The new family will be earning sweat equity by working on their new home.

### **Staff Recommendation**

Staff have determined there are adequate funds available and requests that the Board approve this Habitat for Humanity FY2027 set-aside allocation in the amount of \$8,432,360.

# Board Agenda Item

Board meeting: June 8, 2026

## Homeownership

### Proposed Set-Aside Program Additions and Modifications - Community Land Trusts and Habitat for Humanity Homes with Community Land Trusts

This proposal outlines additions and modifications to the Board's Set-aside programs, including establishing a new, broad Community Land Trust set-aside program and a new a set-aside for Habitat for Humanity homes held in community land trusts. These proposals are put forth to position these programs to best serve eligible Montana homebuyers and the Montana Board of Housing in a financially sustainable manner.

## Background

On May 30, 2025, Board staff received a request to establish a new CLT set-aside program. The request was to expand the current set-aside rate for CAP NWMT Kalispell CLT and Montana Street Homes CLT to include all CLTs in Montana. See Exhibit A. On September 17, 2025, Board staff received an updated request to establish a Community Land Trust set-aside in the amount of \$3,336,000 at the same rate 2% rate as the Habitat for Humanity set-aside. See Exhibits B and C.

Staff reviewed potential rate options for a new CLT set-aside internally and with our finance team. At the October strategic planning session, Board staff provided "Color of Money" and "History of Board Policies / Evolution of Set-Asides" trainings for Board staff. Both trainings were intended to inform and prepare Board members to consider future set-aside requests and the Board's financial position to fulfill such requests.

Board staff met with CLT affiliates on November 5, 2025, to discuss their set-aside request and solicit feedback on our current CLT program loan terms and conditions. On November 18, 2025, Board staff met with Habitat for Humanity affiliates to discuss the current set-aside program and requested input of any changes that may be needed to the existing terms and conditions. We also solicited their feedback on a combined Habitat/CLT homes set-aside program. A combined meeting with both Habitat for Humanity and CLT affiliates was held with Board staff on February 12, 2026.

On April 13, 2026, staff presented a summary from all the Habitat for Humanity and CLT discussions to the Board and solicited Board member's insights as to the direction they would like to see for these proposed set-aside additions and modifications.

MBOH recognizes the need for innovative financing structures and programs, including Habitat and CLT models, to lower the purchase price of homes to be within reach of the lower- and moderate-income homebuyers are programs are designed to serve. Staff also acknowledge the importance of offering differentiated rates for programs which provide additional public benefit. Under the Habitat model, borrowers contribute sweat equity in the home construction, reducing total development costs to ensure an affordable purchase price. Under the CLT model, homes constructed or otherwise placed in a land trust create a continuously affordable stock of homes that are available to lower- and moderate-income homebuyers when the current homeowner vacates.

Over the past three years, Habitat for Humanity affiliates have submitted funding requests totaling \$10.67 million to the Board to support Habitat-qualified homebuyers with a 2% interest rate under the Board's established Habitat set-aside. During the same period, MBOH purchased 32 Habitat mortgage loans, representing an investment of just over \$6 million. Over the last three years, the Board has purchased 44 loans in a CLT for just over \$10 million. Six of the CLT loans were combined with Habitat for Humanity.

## Summary of Current CLT and Habitat Set-Asides:

### **CLT Option 1:**

- Must meet published MBOH purchase price limits
- LTV over 80% for MBOH 1<sup>st</sup> mortgage
- Insured by FHA, VA, RD or HUD 184
- Rate equal to Regular Bond Loan Program, currently 5.375%

### **CLT Option 2:**

- Must meet published MBOH purchase price limits
- LTV under 80% for MBOH 1<sup>st</sup> mortgage
- Not government insured / no primary mortgage insurance required
- Rate set at 0.25% above the Regular Bond Loan Program, currently 5.625%

### **Existing CLT Set-asides (CAP NWMT Kalispell Community Land Trust and Montana Street Homes CLT):**

- Must meet published MBOH income limits; Set-aside programs are designed to serve borrowers at 80% of Area Median Income and below.
- Rate set at 0.25% below the Regular Bond Loan Program, currently 5.125%.

### **Habitat for Humanity Set-aside:**

- To establish the traditional “wrap around” model under the Board’s long-standing Habitat Set-Aside, the Habitat affiliate takes out a 2<sup>nd</sup> mortgage for the monetary difference between the MBOH 1<sup>st</sup> mortgage at 2.0% and the Habitat 2<sup>nd</sup> mortgage at 0.00%. A 3<sup>rd</sup> mortgage for the difference between the 1<sup>st</sup> mortgage plus the 2<sup>nd</sup> mortgage and the appraised value is also included.

- Must meet published MBOH income limits; Habitat will continue to serve borrowers at 80% AMI and below.
- LTV under 80% for MBOH 1<sup>st</sup> mortgage
- Not government insured / no primary mortgage insurance required
- Must meet RD underwriting guidelines

## New Set-Aside Proposals:

### Community Land Trusts:

- May be accessed by all Montana CLTs
- Must meet published MBOH income limits
- LTV under 80% for MBOH 1<sup>st</sup> mortgage
- Not government insured / no primary mortgage insurance required
- Underwriting requirements – Fannie Mae DU approve/eligible
- Appraisals must meet Fannie Mae CLT requirements
- Align with the Board's standard set-aside rate at 0.25% less than the MBOH Regular Bond Loan Program, currently 5.125%

### Habitat for Humanity Homes within a CLT:

- Must meet published MBOH income limits; not limited to >80% AMI under historic Habitat set-aside
- Underwriting requirements – Fannie Mae DU approve/eligible
- Appraisals must meet Fannie Mae CLT requirements
- The standard set-aside rate is 0.25% below the MBOH Regular Bond Loan Program rate. The proposed Habitat/CLT rate is 0.50% less than the MBOH Regular Bond Loan rate.
  - MBOH Regular Bond Loan Program rate: 5.375%
  - MBOH standard set-aside rate: 5.125%

- Proposed Habitat/CLT set-aside rate: 4.875%

The above proposed rates, with estimated loan production figures, have been discussed internally and with our finance team. It was determined that the above rates are financially feasible and sustainable for the Board.

Under the proposed structures, options utilizing CLTs would be purchased by our Master Servicer, Idaho Housing and Finance Association, pooled into a Mortgage-Backed Security, delivered to Fannie Mae, with the MBS purchased by MBOH to hold as an investment. Stand-alone Habitat loans without CLT may continue to be boarded to MBOH's in-house portfolio.

## **PROPOSAL**

Staff requests the Board approve the above changes, including establishing a new, broader Community Land Trust Set-aside at 0.25% below the Regular Bond Loan Program rate and the addition of a Habitat for Humanity Homes in a Community Land Trust at 0.50% below the Regular Bond Loan Program rate.

If approved, Board staff will make the necessary program updates, including drafting and publishing new Terms and Conditions with interest rates specified for each program.



May 30<sup>th</sup>, 2025

Ms. Cheryl Cohen, Executive Director  
Montana Board of Housing  
301 S Park Avenue  
Helena, MT 59620  
[cheryl.cohen@mt.gov](mailto:cheryl.cohen@mt.gov)

Dear Cheryl,

Please consider this letter a request from Trust Montana for set-aside funding for homebuyers of community land trust homes at the set-aside rate (currently 5.25%). Currently, the Board provides set-aside funding for CAP NWMT Kalispell CLT and Montana Street Homes CLT. This proposal, if approved, will allow all the state community land trust homebuyers to access the set-aside rate. Here is a list of the CLTs in the state:

Trust Montana, statewide (Montana Street Homes CLT)	Homes in Deer Lodge, Roberts, Great Fall, Billings
Big Sky Community Housing Trust, Big Sky	Homes in Big Sky
Northwest Montana Community Land Trust, Kalispell (CAP NWMT CLT)	Homes in Kalispell & Flathead
Front Step Community Land Trust, Missoula	Homes in Missoula
Headwaters Community Housing Trust, Bozeman	Homes in Bozeman
Southwest Montana Community Housing Trust, Bozeman	Homes in Gallatin & Park Counties

Please let me know if you have any questions or require additional information. Thank you for your consideration.

Sincerely yours,

Dawn Conklin  
Executive Director

**PO BOX 8791 · MISSOULA, MT 59807 · TRUSTMONTANA.ORG**

*A statewide community land trust working to preserve the  
affordability of homes, farms, and communities.*



September 17, 2025

Ms. Cheryl Cohen, Executive Director MBOH

301 S Park Avenue  
Helena, MT 59620

[Cheryl.cohen@mt.gov](mailto:Cheryl.cohen@mt.gov)

Dear Cheryl,

Please consider this letter a request from the Montana CLTs for \$3,336,000 in set-aside rate loans at the same rate as the Habitat for Humanity for homebuyers of community land trust homes. Many Habitat homes are already land trust homes, as the Habitat community sees the value in permanent affordability with land trust homes. This is the list of CLTs and the geographic regions they work in:

Trust Montana, statewide (Montana Street Homes CLT)	Homes in 8 communities across the state
Big Sky Community Housing Trust, Big Sky	Homes in Big Sky
Northwest Montana Community Land Trust, Kalispell (CAP NWMT CLT)	Homes in Kalispell & Flathead
Front Step Community Land Trust, Missoula	Homes in Missoula
Headwaters Community Housing Trust, Bozeman	Homes in Bozeman
Southwest Montana Community Community Housing Trust, Bozeman	Homes in Gallatin & Park Counties

Community land trust homes ensure affordability of the home into the future. When the owners sell, they share their equity from increasing property values with the next owner, and so on, through many owners. The original owners and all subsequent owners benefit from their mortgage payments,

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improvements and 1.5% equity growth per year. The benefit of a lower interest rate from MBOH is that the family builds equity through mortgage payments faster. Another benefit is that lower income buyers are able to afford a home. At today's prices, lower income families struggle to become homebuyers. Across the country, the average time of ownership is 10 years, which creates stability for the family and allows them to move into a fee-simple home that is affordable to them.

Per your instructions, I am attaching a spreadsheet that captures the loans in the past 12 months and the proposed loans over the next 12 months for CLT homes.

Please let me know if you have any questions or require additional information. Thank you for your consideration.

Sincerely yours,

Dawn Conklin  
Executive Director

Attachment: CLT Request for Set-aside funds

CLT	Property Address	City	Sale Price	Close Date	Program	Loan Amount	Set-Aside	Lender
TRUST MONTANA PAST 12 MOS	1709 Montana Street	Missoula	\$ 138,786.00	6/16/2025	Montana Street Homes	\$ 80,000		Opportunity Bank
	456 Clyde Street	Missoula	\$ 212,900.00	6/19/2025	TM Habitat Homes	\$ 160,000		First Security
	18 Skyscape Drive	Belgrade	\$ 187,361.25	3/3/2025	TM Habitat Homes	\$ 181,650		Stockman Bank
TRUST MONTANA NEXT 12 MOS	2901 Elderberry Ave. Unit 4	Red Lodge	\$ 236,000.00	9/25/2024	TM Habitat Homes	\$ 165,000		USDA
	Annafeld Townhome	Billings	\$ 260,000.00	TBD	CoPurchase	\$ 200,000	\$ 200,000	TBD
	Annafeld Townhome	Billings	\$ 260,000.00	TBD	CoPurchase	\$ 200,000	\$ 200,000	TBD
	Annafeld Townhome	Billings	\$ 260,000.00	TBD	CoPurchase	\$ 200,000	\$ 200,000	TBD
FRONT STEP CLT PAST 12 MOS	1400 Burns St #13	Missoula	\$ 200,200.00	8/4/2025	Burns St Commons	\$ 160,000		Stockman Bank/HRC
	1400 Burns St #11	Missoula	\$ 178,000.00	11/22/2024	Burns St Commons	\$ 177,400		Stockman Bank/HRC
	1400 Burns St #10	Missoula	\$ 181,400.00	11/20/2024	Burns St Commons	\$ 135,400		Prime Lending
FRONT STEP CLT NEXT 12 MOS	1017 Holmes St	Missoula	\$ 190,300.00	9/30/2024	Whittier Court	\$ 150,000		Private Financing
	235 S 4th St E. Unit 203	Missoula	\$ 289,900.00	TBD	Rowe Condos - Deed Restricted	\$ 239,900	\$ 239,900	TBD
	1401 Cedar St #18	Missoula	\$ 178,000.00	TBD	Clark Fork Commons	\$ 128,000	\$ 128,000	TBD
BIG SKY CLT PAST 12 MOS	1401 Cedar St #21	Missoula	\$ 178,000.00	TBD	Clark Fork Commons	\$ 128,000	\$ 128,000	TBD
	818 Arapaho Trail	Big Sky	\$ 349,037.00	7/3/2025	MeadowView CLT	\$ 338,531		Evergreen
	2128 Arapaho Trail	Big Sky	\$ 154,054.00	12/1/2024	MeadowView CLT	\$ 151,000		First Security
NORTHWEST MT CLT PAST 12 MOS	182A Arapaho Trail	Big Sky	\$ 351,958.00	10/7/2024	MeadowView CLT	\$ 330,000		First Security
	89A Arapaho Trail	Big Sky	\$ 352,987.00	9/3/2024	MeadowView CLT	\$ 340,632		Evergreen
	1245 7th Ave E	Kalispell	\$ 348,000.00	9/5/2024	NWMTCLT Kalispell NSP	\$ 150,575		Stockman Bank
	1924 S. Meadows Drive	Kalispell	\$ 150,000.00	9/16/2024	NWMTCLT Kalispell NSP	\$ 147,283		Stockman Bank
NORTHWEST MT CLT NEXT 12 MO	196 Empire Loop	Kalispell	\$ 230,000.00	10/31/2024	NWMTCLT Kalispell NSP	\$ 230,000		Stockman Bank
	116 Barron Way	Kalispell	\$ 179,000.00	11/1/2024	NWMTCLT Kalispell NSP	\$ 180,303		Glacier Bank
	711 Trailview	Whitefish	\$ 343,750.00	1/10/2025	NWMTCLT TrailView	\$ 193,750		Stockman Bank
	511 Trailview	Whitefish	\$ 481,403.62	4/30/2025	NWMTCLT TrailView	\$ 371,404		Stockman Bank
	505 Trailview Way	Whitefish	\$ 475,924.85	6/24/2025	NWMTCLT TrailView	\$ 305,925		Stockman Bank
	902 7th Street West	Kalispell	\$ 315,000.00	7/30/2025	NWMTCLT + Habitat	\$ 239,736		Glacier Bank
	908 7th Street West	Kalispell	\$ 315,000.00	TBD	NWMTCLT + Habitat	\$ 265,000	\$ 265,000	Glacier Bank
HRDC IX PAST 12 MOS	9th Ave. West	Kalispell	\$ 320,000.00	TBD	NWMTCLT Kalispell NSP	\$ 265,000	\$ 270,000	
	209 3rd Ave East	Columbia Falls	\$ 365,000.00	TBD	Habitat House on CLT land	\$ 315,000	\$ 315,000	
	3424 W Babcock #4	Bozeman	\$255,000.00	9/30/2024	Scattered Site Land Trust	\$ 247,350		Evergreen
HRDC IX NEXT 12 MOS	114 W Reservoir	Livingston	\$275,000.00	8/30/2025	Livingston Land Trust	\$ 220,000	\$ 220,000	Opportunity Bank
	206 W Reservoir	Livingston	\$275,000.00	12/15/2025	Livingston Land Trust	\$ 220,000	\$ 220,000	Unknown
HEADWATERS CLT NEXT 2 MOS	2307B Blue Silos Way	Bozeman	\$ 375,000.00	10/15/2025	Bridger View Neighborhood	\$ 350,000	\$ 350,000	TBD
	2313 Fourhouse Way	Bozeman	\$ 425,000.00	11/15/2025	Bridger View Neighborhood	\$ 400,000	\$ 400,000	TBD
TOTAL SETASIDE REQUEST						\$ 3,335,900		
TOTAL FROM ABOVE						\$ 7,746,839		
NET - Prior year home sales						\$ 4,410,939		

# Homeownership Program Dashboard

June 8, 2026

<b>Rates</b>	<b>Current</b>	<b>Last Month</b>	<b>Last Year</b>
MBOH*	5.375	5.375	5.500
Market	6.150	6.047	6.687
10-year Treasury	4.450	4.360	4.470
30-year Fannie Mae	6.530	6.530	6.530

\*Current Set-aside 5.125, DPA 5.625

## MBS Program

<b>Reservations: May</b>	<b>Number</b>	<b>Amount</b>
Series 2026A (since 10.21.25)	43	\$12,109,256
Series 2026A DPA (since 10.21.25)	17	\$213,635
80% Combined (20-plus)	8	\$1,901,783

### Set-aside Programs

MBOH Plus DPA	6	\$71,965
NeighborWorks	1	\$192,961
CAP NWMT Community Land Trust		
Missoula HRDC XI		
Bozeman HRDC IX		
Home\$tart		
HUD 184		

Montana Street Community Land Trust		
Sparrow Group		
City of Billings	1	\$305,657
Foreclosure Prevention		
Disabled Accessible		
Lot Refinance		
FY26 Habitat	1	\$232,972

**Other Programs**

Veterans Home Loan Program (original)		
912 Mortgage Credit Certificate	1	\$235,000

**Loans Purchased by IHFA: May**
**Number**
**Amount**

First mortgages	26	\$7,833,419
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**Delinquencies April**
**30-59 Days**
**60-89 Days**
**90-plus Days**

First mortgages	17	2	7
DPA	2		4

**Foreclosures: April**
**Amount**

FHA first mortgages	1
VA first mortgages	
RD first mortgages	
Conventional mortgages	
DPA	

**MBS Turntimes: May**

Lender reservation to closing date	17.12	days
Closing date to compliance submission	17.38	days
Compliance submission to review time	1.5	days

**Loan Purchases by Lender**
**2026 YTD**
**First**
**DPA**

	First	DPA
First Security Bank 133		
Bravara Bank 186	4	2
Churchill Mortgage 869		
Clearwater FCU 901		
CMG Home Loans 874		
Cornerstone Home Lending 850		
Crosscountry Mortgage 863	2	2
Envoy Mortgage 871	1	1
Evergreen Mortgage 875	19	12
Fairway Independent Mtg 847	9	7
First Bank of MT 073		
First Colony Mortgage 865		
First Federal Bank & Trust 731		
First Interstate Bank -WY 601	1	1
First Montana Bank 172	1	1
Glacier Bank Kalispell 735	1	
Guaranteed Rate 864	4	4
Guild Mortgage Company 842	15	12
Hometown Lenders 862		

Intrepid Credit Union 903		
Lower Dot Com LLC 873	7	5
New American Funding 878	5	5
Novus Home Mortgage 872	1	1
One Trust Home Loan 868		
Opportunity Bank 700	7	4
Premier Mortgage 884	2	1
Prime Lending 851		
Security National Mtg Co 879		
Stockman Bank MT Miles City 524	12	9
Synergy One Lending 880	2	2
Union Home Mortgage 876	1	1
U.S. Bank 617	1	1
Valley Bank Div of Glacier Bnk 151		
V.I.P. Mortgage, Inc, 883	1	1
Western Security Bank 785	5	5
Wintrust Mortgage 867	1	1
Yellowstone Bank 161	3	2
<b>Grand count</b>	<b>105</b>	<b>80</b>

<b>April 2026 Portfolio Summary</b>	<b>Number</b>	<b>Amount</b>	<b>Percent of number</b>	<b>Percent of amount</b>
FHA	2678	\$387,428,594	47.7%	66.7%
RD	754	\$77,298,897	13.4%	13.3%
VA	375	\$67,190,093	6.7%	11.6%
HUD184	33	\$1,951,431	0.6%	0.3%
Private Mortgage Insurance	29	\$1,663,505	0.5%	0.3%
Uninsured first	264	\$32,770,834	4.7%	5.6%
Uninsured second	1480	\$12,699,403	26.4%	2.2%
<b>April 2026 portfolio balance</b>	<b>5613</b>	<b>\$581,002,757</b>		
<b>April 2025 portfolio balance</b>	<b>5699</b>	<b>\$633,619,006</b>	<b>-1.5%</b>	<b>-8.3%</b>

<b>Weighted average interest rate</b>	<b>4.549%</b>
---------------------------------------	---------------

	<b>Number</b>	<b>Amount</b>
Rates up to 4%	2296	\$220,093,712
Rates 4% and above	3317	\$360,909,045

<b>RAM Program April Activity</b>	<b>Number</b>	<b>Amount</b>
Loan requests	1	\$250,000
Loans outstanding	45	\$2,924,515.44
Life of program	249	\$16,616,094
Available balance		\$4,665,425.86

## Delinquency and Foreclosure Rates

### Montana Board of Housing

	<b>Apr-26</b>	<b>Mar-26</b>	<b>Apr-25</b>
30 days	1.18	1.21	1.14
60 days	0.59	0.69	0.61
90 days	1.53	1.81	1.82
Total delinquencies	3.3	3.71	3.57
In foreclosure	0.52	0.66	0.65

### Mortgage Bankers Association

Most recent available data 3/31/2026

	<b>Montana</b>	<b>Region</b>	<b>Nation</b>
30 days	1.38	1.67	2.04
60 days	0.48	0.6	0.72
90 days	0.78	1.15	1.39
Total delinquencies	2.63	3.42	4.15
In foreclosure	0.35	0.43	0.64

# Mortgage Servicing Program Dashboard

Effective date (05. 31, 2026)

## Year Monthly Servicing Report

May

Last Year	Last Month	This Month
05. 31, 2025	04. 30, 2026	05. 31, 2026

Portfolio total loans	6208	5807	5759
MBOH	5545	5172	5130
BOI residential	287	16	16
Veterans Home Loan Program		267	265
Multifamily Loans	21	21	21
Homeowners Assistance Fund	355	331	327
Principal (all loans)	\$720,928,944	\$679,668,825	\$675,065,806
Escrow (all loans)	\$3,942,199	\$9,585,258	\$6,367,807
Loss draft (all loans)	\$949,639	\$801,390	\$762,440
Loans delinquent (60-plus days)	281	241	65
Actual foreclosure sales in month	0	0	1
Foreclosures total calendar year	2	3	4
Delinquent contents to make	690	492	521
Late fees: number of loans	990	821	721
Late fees: total amount of revenue	\$32,206	\$26,634	\$23,167
Payoffs	39	42	48
New loans	2	1	1

### HUD's National Servicing Center TRSII Scorecard

FY 2025	Tier 3	Grade D
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## Loss Mitigation

<b>Last Year</b>	<b>Last Month</b>	<b>This Month</b>
05. 31, 2025	04. 30, 2026	05. 31, 2026

Active financial packets	3	0	0
Repayment/special forbearances	2	3	3
Partial claims and mods pending (TPPs)	1	3	1
Chapter 13 bankruptcies	6	5	5
Preservation properties	10	7	8
Real estate owned properties	1	3	3
Short sale	0	1	2
Third party (at sale)	0	0	0

## Foreclosures

05. 31, 2026

Foreclosures initiated	25
No. 1 Great Falls	6
No. 2 Billings	4
No. 3 Butte	4
Other cities	11
Total principal balance (all)	\$3,516,775

Foreclosure sales scheduled	16
FHA	12
VA	3
USDA/RD	1
Other loan type	0

# Rental Assistance Program Dashboard

April, 2026 Dashboard (Data as of May 28, 2026)

## Totals

	3/31/2026	4/30/2026	Change
Paid units	7,180	7,245	65
Budgeted units	X	8,317	X
All Section 8 HAPs	6,073,164	5,811,834	-261,330
All waitlists	4,851	5,826	975

## Rental Assistance Tenant-Based Programs

	3/31/2026	4/30/2026	Change	HAP Paid YTD
<b>Housing Choice Voucher</b>				
Paid units (two-year tool)	3,071	3,130	59	
Current month payment amount	2,376,522	3,463,396	86,874	9,337,002
<b>Veterans Affairs Supportive Housing</b>				
Number units paid (two-year tool)	336	342	6	
Payment amount	228,289	252,973	24,684	896,551
<b>Moderate Rehabilitation</b>				
Paid units (71 authorized)	35	37	2	
Payment amount	20,817	23,144	2,327	97,506
<b>Mainstream Vouchers</b>				
Number units paid	19	17	-2	
Payment amount	17,632	17,382	-250	67,011

<b>Project-Based VASH</b>				
Number units paid	41	40	-1	
Payment amount	20,930	41,722	20,792	89,534
Note: Utilization on two-year tool combines VASH and PBVASH.				
<b>EHV</b>				
Number units paid	39	27	-12	
Payment amount	33,853	23,831	-10,022	135,118

## Rental Assistance Project-Based Programs

	3/31/2026	4/30/2026	Change	HAP Paid TYD
<b>Project-Based Section 8</b>				
Contracts	85	85	X	
Units paid (4,132 authorized with 8bb)	3,626	3,639	13	
Housing assistance payment amount	3,375,121	2,989,386	-385,735	12,380,106
<b>811 Project Rental Assistance (FY)</b>				
Rental assistance contracts	2	2	X	
Units leased (grant requires 82)	13	13	X	
Housing assistance payment amount	0	0	0	8,808

**Original grant is terminating; transitioning to annual contracts.**

## Rental Assistance Waiting Lists

Regional Field Agency	4/2/2026	5/28/2026	Change
Action for Eastern Montana	109	144	35
HomeFront Billings	583	659	76
Billings HRDC (outside city limits)	139	176	37

Bozeman	425	523	98
Butte	289	339	50
Helena	180	261	81
Kalispell	408	516	108
Lewistown	27	15	-12
Missoula	666	770	104
Opportunities Inc. (Great Falls, Havre)	603	799	196
ModRehab Billings	474	540	66
ModRehab Chinook	0	0	0
ModRehab Great Falls	641	721	80
ModRehab Helena	0	0	0
ModRehab Missoula	307	363	56
<b>Total</b>	<b>4851</b>	<b>5826</b>	<b>975</b>

### Vouchers Issued Since Waitlist Reopening on July 1, 2025

Regional Field Agency	3/31/2026	4/30/2026	Change
Action for Eastern Montana	29	37	8
HomeFront Billings	69	70	1
Billings HRDC (outside city limits)	98	100	2
Bozeman	130	134	4
Butte	101	104	3
Helena	74	77	3
Kalispell	56	56	0
Lewistown	33	33	0
Missoula	44	61	17
Opportunities Inc. (Great Falls, Havre)	461	462	1
<b>Total</b>	<b>1095</b>	<b>1134</b>	<b>39</b>

Approximately 450 HCVs on the street; 605 including VASH and mover vouchers.

# Board Agenda Item

Board Meeting: June 8, 2026

## Operations / Executive Director

### BOARD MEETINGS

- Our next Board meeting will be held Monday, July 20, 2026, via Zoom.

### BOARD MEMBER OPPORTUNITIES

- Board members are invited to join in the 10-city roadshow this summer by attending the destination closest to their residence. Please contact Cheryl Cohen if you would like to attend. See details below for dates and locations.
- The NCSHA 2026 Annual Conference and Showplace will be held in Detroit, MI from Oct. 3 to Oct. 6, 2026. Registration is not yet open, but Board members are encouraged to attend.

### CONTRACTS / PROCUREMENT

- Claims Recovery Financial Services, LLC contract was executed on May 14, 2026. This contract will assist Mortgage Servicing with post-foreclosure, preliminary, and loss mitigation claim services, and assist in training new team members in various post-foreclosure processes.
- Housing and Development Services, the information software used by our Project-Based Section 8 Rental Assistance team, has been routed for execution. There are 2 contracts, one for hosting, and one for maintenance/licensing.
- Dalton Appraisal Service, used by our Project-Based Section 8 team, has been renewed for another year. This service provides Rent Comparability Studies as directed by HUD for Project-Based Section 8 contracts.



- Frontier Strategies Inc., used for MBOH as a consultant to the current information software RFP, has been extended into September 2026 so Dan Drislane can be present as a Subject Matter Expert during evaluations of vendors.
- Eide Bailly LLP (who assists with the preparation of the board’s financial statements) was renewed for another year.

**PERSONNEL**

- Lisa Carlon, previously our Quality Control Specialist for Mortgage Servicing, accepted the Risk Mitigation Specialist in Mortgage Servicing. Ms. Carlon will begin in her new position on June 8.
- Logan Colberg, Executive Assistant, will be leaving us July 3, 2026 to prepare for admission to law school at the University of Washington. We thank Logan for her incredible support and wish her all the best! The recruitment process has been initiated.

**HOMEOWNERS ASSISTANCE FUND**

- A total of 4,211 applications have been submitted to all statewide programs as of May 27, 2026.
- HAF has expended \$33 million on all programs.
- We have hired a temporary hire for our Home Repairs program; she started May 21, 2026 and is completing training.
- We will be accepting Reinstatement and Lien Prevention applications through July 31, 2026, then closing the program to new applicants to give staff time to process submitted applications prior to the program closure date of September 30, 2026.

## COMMUNITY HOUSING

- HUD has not yet announced Commerce’s 2026 Housing Trust Fund allocation.
- The draft [2025 Consolidated Annual Performance Evaluation Report](#) is available for public comment through June 12, with a public hearing scheduled for [June 10](#).
- The 2026 Annual Action Plan will be available for public comment mid-June. A public hearing will take place July 9. The 2026 AAP will propose \$2,500,000 in HOME, \$1,500,000 in CDBG and \$2,700,000 in HTF be made available for multifamily development or preservation and to address homelessness. An additional \$200,000 in HOME funds is proposed to be used for downpayment assistance.
- HOME, HTF and CDBG-Housing applications will be due September 15, 2026. Commerce has suspended its CDBG-Housing Stabilization Program because all funds earmarked for single-family rehabilitation activities have been awarded. We will accept applications again when 2026 funds become available in the fall of 2026.

## EXECUTIVE DIRECTOR

- Our team cohosted another successful Montana Housing Partnership Conference at Fairmont Hot Springs from May 18 to May 20, 2026. Initial conference survey results were reviewed by the steering committee and we held a debrief meeting to discuss what went well and how we can improve in the future.
  - Discussion: Board members and staff who attended the conference share any takeaways.
- Commerce Director Bertoglio, Cheryl Cohen, and Julie Flynn attended The Manor’s grand reopening celebration on Thursday, May 28. The Manor is a Project-Based Section 8 property serving lower income seniors in Hamilton /

Ravalli County. The Manor needed significant capital improvements to address accessibility and fire suppression system updates, energy efficiency, and other upgrades to enhance the quality of life of residents and reduce operating costs at the property. The Manor was also at risk of losing a vital HUD Housing Assistance Payment contract providing essential rental subsidies for the lower-income seniors who reside here. Given the significant community need for the continued operations of The Manor, Commerce and the Board of Housing provided a range of resources for the substantial rehabilitation of the property, including:

- \$6.5 million in tax-exempt bonds
- \$415,321 in 10-year in Housing Credit Equity
- \$1.9 million in federal HOME funds
- \$1,450,000 in federal Housing Trust Fund, and
- \$750,000 in Community Development Block Grant

At the ribbon cutting, we spoke with many residents - all spoke very positively about the renovation, the consideration of the general contractor, and how pleased they are with their newly upgraded homes. This renovation was completed on time and within budget. Congratulations to all of the partners involved!

- Upcoming tasks and activities:
  - The Board of Housing is working to update its Internal Control Plan and Risk Assessments by June 30, 2026. Adjustments are also underway to the Board's financial statements to align with new GASB requirements.
  - Our team continues to work toward Section 508 compliance. The Department of Justice announced a 1-year extension to the effective date (now April 2027); Commerce established an October 30, 2026 internal deadline for all website materials, Board meeting packets, and application systems. Commerce Housing Division and Board of Housing staff are collaborating with the Commerce Director's Office on these required

updates. Board members will see additional adjustments to templates for this May meeting packet; additional adjustments may be needed as we move forward. Board staff solicit Board member and stakeholder input on the potential impacts of moving up our internal Board packet deadline to provide additional time for Board packet material review and 508 remediation.

- The Montana Departments of Commerce and Agriculture are planning a Road Show to visit 10 cities from mid-June to late-August to meet with local leadership and elected officials. The purpose of these meetings is to provide an overview of Commerce and Agriculture programs that support Montana communities, highlighting specific investments and results over recent years. The list of cities and dates are included below (may be subject to change). Cheryl Cohen will attend 7 of the 10 cities, with Julie Flynn, Jason Hanson, and Jessica Michel covering the remaining 3. We will have the opportunity to invite 2 or 3 partners or stakeholders to join each visit.
  - Havre, June 16 from 1:30 – 4:00
  - Lewiston, June 17 from 9:00 – 11:30
  - Great Falls, July 8 from 9:30 – 12:00 (Shelia Rice attending)
  - Butte, July 9 from 9:30 – 12:00 (Jessica Michel)
  - Billings, July 15 from 1:30 – 4:00 (Julie Flynn)
  - Bozeman, July 16 from 9:00 – 11:30 (Jason Hanson)
  - Kalispell, July 28 from 1:30 – 4:00
  - Missoula, July 29 from 9:00 – 11:30
  - Wolf Point, August 11 from 1:30 – 4:00
  - Glendive, August 12 from 9:00 – 11:30
  - Helena, August 15 from 9:00 – 11:30



# Multifamily Program Dashboard

Date (June 08, 2026)

## MBOH Multifamily Loan Programs

### Available After Commitments

GO Housing: HMF (new)	23,900,000	Funds held by DOR
GO Housing: MFHP (old CT)	13,800,000	Funds held by DOR
MBOH: MF	3,400,000	Funds held by MBOH
MBOH: HMF	1,700,000	Funds held by MBOH

## Projects Underway

Bond Project	Amount	Units	City	Stage	Developer
The Beck Apts	35,706,454	149	Bozeman	Approved	Kamaka
Goldspur at Urban Farms	28,000,000	145	Bozeman	Approved	Roers
Sage Peak Sr	19,574,000	101	Bozeman	Approved	Dev Co
Alder Ridge	44,000,000	240	Bozeman	Approved	Dev Co
Elms Apts	9,941,142	60	Kalispell	Approved	Mach Dev
Sheep Mountain 4	4,158,000	24	Livingston	Approved	Boundary Dev
The Henley I & II	54,538,422	330	Great Falls	In Review	Kamaka
Timberwolf	30,000,000	228	Kalispell	In Review	Boundary Dev
Mountain View Manor	9,700,000	50	Whitefish	Approved	Good Housing

RC3	13,500,000	119	Sidney/Fair	Approved	Good Housing
KP3	15,000,000	116	Kalispell	In Review	Beneficial Hsing
Wildflower 4	10,734,536	50	Missoula	Approved	MHA/United
North Park	24,800,000	150	Billings	In Review	Dev Co
Woodward	34,000,000	171	Bozeman	In Review	Rueter Walton
LB Lofts & Laurel	27,000,000	109	Billings	In Review	Homeword
Towers 4	13,750,000	101	Billings	In Review	Homeword
Cottage Park	9,000,000	60	Missoula	Incoming	Good Housing
Franklin Crossing	24,000,000	178	Missoula	Incoming	UH/MHA
BP9-Blgs Portfolio Project	45,000,000	216	Billings	Incoming	Good Housing
Eagles Manor	13,500,000	139	Helena	Incoming	Rocky Mtn Dev
Roers Development	45,000,000	240	Bozeman	Incoming	Roers
Copper Ranch	63,000,000	320	Belgrade	Incoming	Inland Group
Copper Grove	43,000,000	264	Bozeman	In Review	Inland Group

# Board Agenda Item

Board meeting: June 8, 2026

## Multifamily Program

### Unit Reduction Waiver

Skyview Apartments in Billings

#### **Background:**

Skyview Apartments received a partial 9% LIHTC award in October 2024. The full ask was for \$6,500,000 and they received \$4,702,040. Following the award, the development team was required to substantially rework the project to account for the new partial award amount, and again after determining that the original site was no longer financially feasible due to site size constraints and significant city infrastructure and development requirements associated with that location. As a result, the project was relocated and again had to be reworked due to the loss of \$1,000,000 in City of Billings HOME Program funds because of the location change.

The development team has restructured the project and is pleased to report that Skyview is moving forward, with construction anticipated to begin early summer of 2026. The partnership acquired the new site, located at the corner of 3rd Avenue North and North 17th Street just east of downtown Billings, on November 25, 2025. The site lies within the BIRD Tax Increment Financing district and will benefit from city TIF investment. Just as importantly, the development will remove blighted and underutilized structures from an area the city has identified as a redevelopment priority.

Skyview is now planned as an 18-unit family project, down from 26 units, utilizing the average income set-aside, with seven one-bedroom units and 11 two-bedroom units.

The project will consist of three two-story buildings, an 8-plex, a 6-plex and a 4-plex, arranged around a central green space that will serve as a shared outdoor amenity for residents. The total cost per unit is now \$388,314 per unit, which is up from \$349,002. Credits per unit will be \$261,224 which is typical of other projects.

**Staff Recommendation (if any):**

Staff supports the unit reduction waiver proposal noted above. Note: Skyview is still within the Qualified Allocation Plan total cost per unit limitations and the cost per unit increase has not exceeded 20%. No waivers are needed or requested with respect to CPU or CPU percentage increase.

**Motion Options(s):**

1. Move to approve the restructured project and reduction in units from 26 to 18.
2. No motion, proposal fails.

<b>City</b>	<b>Billings</b>
<b>Project Name</b>	<b>Skyview</b>
<b>Set-aside</b>	General
<b>HC Requested</b>	4,702,040
<b>Project Type</b>	Family
<b>Construction Type</b>	New Const
<b>Projected Construction Start</b>	Jul-26
<b>Projected Completion</b>	Oct-27

<u>Unit Numbers</u>	<u>Target</u>	
1-bdrm	50%	3
1-bdrm	60%	1
1-bdrm	70%	2
1-bdrm	80%	1
2-bdrm	40%	2
2-bdrm	50%	3
2-bdrm	60%	3
2-bdrm	80%	3
other	mgr(60%)	-
Total Units		18
Average Income Targeting		60.00%

<u>Square Footage</u>	
Income Restricted Units	12,928
Common Space	2,794
Total	15,722

<u>Unit Rents</u>	
1-bdrm	827
1-bdrm	1,009
1-bdrm	1,191

<b>City</b>			<b>Billings</b>
<b>Project Name</b>			<b>Skyview</b>
	1-bdrm	80%	1,200
	2-bdrm	40%	769
	2-bdrm	50%	987
	2-bdrm	60%	1,206
	2-bdrm	80%	1,423
	other	mgr(60%)	-
Total Monthly Rents			19,458
vacancy factor			7.00%
Adjusted Rent			18,096
other/commercial income			250
total rent			18,346
x 12 months			12
Total Annual Income			220,151

### **Expenses**

Administration	13,250
Management	12,891
Maintenance	9,500
Operating	41,810
Taxes	20,000
Replacement Reserve	6,300
Total Expenses	<u>103,751</u>

Net Income Before Debt Service 116,400

### **Financing Sources**

Hard Loan GO-MFHP	<b>1,825,000</b>
Hard Loan	300,000
Other	1,000,000

<b>City</b>	<b>Billings</b>
<b>Project Name</b>	<b>Skyview</b>
Other	110
Deferred Dev Fee	174,864
HC Equity Competitive	3,808,272
HC Equity Non-Competitive	-
Total Sources:	7,108,246
% of Project Financed by HC:	53.58%

### **Return on Sale of HTC**

HTC Requested	4,702,040
HTC Equity	3,808,272
HTC Return on Sale	0.810

### **Ratios**

Rent (Income)	220,151
Operating Expenses	97,451
Replacement Reserves	6,300
Net Income Available for DS	116,400
Total Debt Service	103,420
Debt Coverage Ratio (DCR)	1.13
Total Expense Ratio	1.06

### **Project Costs**

Land	380,118
Building/Acquisition	150,000
Site Work	580,140
Construction / Rehab	3,962,936
Soft Costs	1,076,464

<b>City</b>	<b>Billings</b>
<b>Project Name</b>	<b>Skyview</b>
Developer Fees	840,000
Reserves	118,588
Total Project Costs	7,108,246

### **Costs versus Sources**

Total Project Costs	7,108,246
Total Financing Sources	7,108,246
Difference	-

### **Project Cost Limitations**

	<b><u>Limits</u></b>	
General Requirements	6.00%	4.40%
Contractor Overhead	2.00%	1.54%
Contractor Profit	6.00%	4.40%
Developer Fees	15.00%	14.56%
Soft Cost	40.00%	38.38%

### **Per Unit Comparison**

	<b><u>Limits</u></b>	
Cost per unit total	n/a	388,314
Cost per unit residential only	\$395,000	388,314
Cost per unit Const / Rehab	n/a	252,393
Credits per unit	n/a	261,224
Operating Cost per unit	\$3,000 min	5,414
Replacement Reserves	\$300 min	350

<b>City</b>	<b>Billings</b>
<b>Project Name</b>	<b>Skyview</b>

**Per Square Foot Comparison**

Construction / Rehab per sq ft	252.06
Total Project Cost per sq ft	452.12
Credits per sq ft	299.07
Credits per sq ft (residential only)	363.71

**Utilities Paid by (Tenant / Owner)** Tenant

**Market Study Data:**

Vacancy Rates	2.7%
Absorption Rate	3.8%
Months to Absorb	3
Average Project Rent	1,177
Average Market Rent	1,713
Units needed for Targeted AMI's	10,425

**Market Rents**

1-bdrms	1,289
2-bdrms	1,581

April 8, 2026

Jason Hanson  
Montana Board of Housing  
301 S. Park Ave  
Helena, MT 59620

Re: Skyview Residences: Request for Staff Approval of Proposed Project Changes

Skyview received a partial 9% LIHTC award in October 2024. Following the award, the development team was required to substantially rework the project to account for the new award, and again after determining that the original site was no longer financially feasible due to site size constraints and significant city infrastructure and development requirements associated with that location. As a result, the project was relocated and again had to be reworked due to the loss of \$1,000,000 in City of Billings HOME Funds because of the location change.

Despite these challenges, the development team has restructured the project and is pleased to report that Skyview is moving forward, with construction anticipated to begin early summer of 2026. The partnership acquired the new site, located at the corner of 3<sup>rd</sup> Avenue North and North 17<sup>th</sup> Street just east of downtown Billings, on November 25, 2025. The site lies within the BIRD TIF district and will benefit from city TIF investment. Just as importantly, the development will remove blighted and underutilized structures from an area the city has identified as a redevelopment priority.

Skyview is now planned as an 18-unit family project utilizing the average income set-aside, with seven one-bedroom units and eleven two-bedroom units. The project will consist of three two-story buildings, an 8-plex, a 6-plex and a 4-plex, arranged around a central green space that will serve as a shared outdoor amenity for residents.

The development team respectfully requests staff approve the specific modifications described below. These requests are limited to those necessary to address the project's reduced scale, revised capital stack, and loss of prior local funding sources, and are critical to successful completion. The development team intends to comply with all other 2025 QAP requirements.

- **Amenities & Design Standards.** The development team intends to satisfy all applicable design and amenity requirements except for the specific items identified below, for which relief is requested due to financing constraints created by the project's redesign and reduced scale:

**Energy Saving Measures (3)** – Water conservation measures, including low-flow faucets fixtures, will be incorporated into the project; however, certain enhanced items, such as rain sensing irrigation controls, may not be feasible.

**Unit Functionality** – Linen closets and pantries may be omitted from the unit layouts in some cases. However, other resident storage will be provided at no charge, as reflected in the design documents.

- **Debt Service Coverage Ratio.** The Uniform Application reflects a debt service coverage ratio of 1.13 in year one, increasing to 1.30 by year 15. To support operations and mitigate year-one coverage, the developer is capitalizing a reserve in the amount of \$14,384, as shown in the Uses of Funds. The development team respectfully requests staff approval of a 1.13 first year and 1.14 second year DSCR.
- **Income and Rent Targeting.** Changes to the projects financing structure required a full rework of the capital stack, including corresponding revisions to the projected revenue, operating expenses, and debt service. The proposed unit mix and income targeting shown below are necessary to maintain project feasibility and long-term operational stability. The overall project average will remain in compliance with the 2025 QAP requirements applicable to average income developments.

Bedroom Size	# of Bedrooms	AMI target
1	3	50%
1	1	60%
1	2	70%
1	1	80%
2	2	40%
2	3	50%
2	3	60%
2	3	80%

- **Vacancy Percentage.** The 2025 QAP calls for projects fewer than 20 units to be underwritten with a 10% vacancy rate. Skyview’s investor is underwriting the project at a 7% vacancy rate, which is consistent with industry practice. In addition, the updated market study identifies a 2.7% LIHTC vacancy rate, further supporting the lower underwriting assumption. Given these factors, the development team respectfully requests staff approval to underwrite Skyview at a 7% vacancy rate.

Thank you for your consideration of these requests and for your continued support of affordable housing in Montana. Approval of the proposed changes will allow Skyview to move forward and provide much-needed housing to Billings residents for decades to come. Please don’t hesitate to contact me at 406-459-5332 with any questions.

Sincerely,



Gene Leuwer  
GL Development

# Board Agenda Item

Board meeting: June 8, 2026

## Multifamily Program

### Multifamily Loan Program Competitive Application Rounds

#### **Background:**

Multifamily Loan Program Guidelines were reviewed with the Board at the December 2025 public meeting. These loan guidelines, which outline eligible uses of each loan program, can be found here:

<https://commerce.mt.gov/shared/housing/Multifamily/docs/MF-Loan-Program-Guidelines-202601-003.pdf>

Additionally, administrative rules can be found at [subchapter 8.111.501 to 8.111.507](#) (MBOH-Housing Montana Fund and GO Housing-Housing Montana Fund), as well as [subchapter 8.111.801 to 8.111.807](#) (GO-Multifamily Homes Program).

#### **Process:**

The Board will review projects and approve projects by the type of loan the projects have applied for.

- The Board will first consider loans in the GO Housing-Multifamily Homes Program (formerly the Coal Trust Multifamily Homes Program).
- The Board will then consider loans in the GO Housing-Housing Montana Fund, along with MBOH-Housing Montana Fund and MBOH-Multifamily Loan Program together.

Loan applications will be reviewed in the following project order, which was randomly selected:

**GO Housing-MFHP:**

- Granite Heights – Butte
- Churchill Four Plex - Churchill
- Homes on the Range 9% – Roundup
- Wier Building – Roundup
- Broadway Apartments – Lewistown
- The Hogan – Missoula

**GO Housing-HMF, MBOH-HMF, and MBOH-MFLP:**

- Timberwolf Apartments 4% – Kalispell
- Elms Apartments 4% - Kalispell
- Woodward Flats 4% - Bozeman
- Saddlehorn Apartments 9% - Miles City
- Franklin Crossing 4% - Missoula
- Canyon View 4% - Hamilton
- LB Lofts 9% - Billings
- LB Lofts Laurel Gardens 4% - Billings/Laurel
- Towers 9% – Billings
- Towers 4% - Billings
- Eagles Manor 4% - Helena
- North Park 4% - Billings
- Glacier View Senior – Columbia Falls
- Henley I – Great Falls
- Mountain Goat Court - Havre

Presentations and reviews of projects applying for loans will consist of the following:

- The applicant will have no more than 5 minutes to summarize and point out highlights of their projects.

- The Board will have time to ask questions.
- Members of the public will have time to make comments.
- Public comments will be allowed not only during each project review, but at the beginning and end of this process. The Board Chair may implement a time limit for public comments at his discretion. Members of the public are asked to refrain from repeating comments already made on the record.

**Board Selection:**

Each Board member will be asked to list their top projects as follows:

- GO Housing-MFHP:
  - Each Board member will list their top 3 projects that will get 2 points.
  - The next 2 projects will get 1 point.
  - This will provide a tally that will assist the Board in developing a slate of projects to be funded.
- GO Housing-HMF, MBOH-HMF, and MBOH-MFLP:
  - Each Board member will list their top 4 projects that will get 3 points.
  - The next 3 projects will get 2 points.
  - The last 3 projects will get 1 point.
  - This will provide a tally that will assist the Board in developing a slate of projects to be funded.

The Board will review the following criteria when considering loan approval:

- The applicant's experience in managing or developing housing for Low- and/or Moderate-Income households;
- The percentage of the units in the project that will be available for Low- and/or Moderate-Income households;
- The need for Low- and Moderate-Income housing in the community where the project is located;
- The priority of the Board's proposed lien in relation to the amount of the loan; and

- The priority of the liens and the amount of the loans of the other lenders on the project.
- Project location;
- The loan size and whether it maximizes the geographical distribution of the loan programs; and
- The use of other funds to leverage the use of the Board's funds.
- The following categories will also be used for consideration in funding decisions:
  - Income Levels Targeted
  - Project Efficiency
  - Location Considerations
  - Geographic Distribution
  - Community Contributions

When considering the above five categories for selecting projects, Board members will keep in mind that this competitive loan application process is not the same as comparing projects in the 9% Housing Credit round. The Qualified Allocation Plan notes the Board's alignment with IRS guidance stating, "The MBOH Board gives preference to Projects serving the lowest-income tenants through a combination of income targeting requirements and Application evaluation process." Under this competitive loan application round, we are comparing projects that have only loans with no Housing Credits to projects that have loans and Housing Credits. Projects with Housing Credits will typically be able to have deeper income targeting than projects without Housing Credits. In the Qualified Allocation Plan, we have requirements that 9% Housing Credit project maintain income targeting at 53% of Area Median Income or lower vs 4% Housing Credit projects having 60% of Area Median Income targeting. This is due to the equity ratio compared to the total cost of the project. Board members will also keep in mind that state legislation initially establishing the GO Housing-MFHP to assist eligible Low-Income (defined as up to 80% AMI) and Moderate-Income" (defined as up to 95%

of AMI) housing. Similarly, enacting legislation for the Housing Montana Fund also allows for the development of Low-Income and Moderate-Income housing.

Community contributions are also a little different under this competitive loan application round versus the 9% Housing Credit rounds. Typically, it is viewed favorably that a project is receiving support from one or more community contributions. However, Board members and staff recognize that under this competitive loan program, the project may be early in its development stage and a success multifamily loan may be the first fund source secured for the project's capital stack. Additionally, many Montana communities are seeking ways to increase the supply of affordable housing in their community and/or preserve existing affordable housing. Smaller cities and towns with less capacity may have limited opportunities or resources to directly support a proposed project.

Board staff reserves the right, in consultation with the project applicant, to move projects to a different program than requested to best utilize available funds. However, projects that did not apply to the more restrictive GO Housing-MFHP (formerly Coal Trust Multifamily Homes) will not be asked to shift to that fund source given the first lien position and subject to payment of property tax provisions required.

**Motion Options(s):**

1. Board members conduct voting, with staff conducting the vote tally. The Board approves two slates of projects, one for GO Housing-MFLP and one for the other three programs. Through its approvals, the Board directs staff to move forward to underwriting and approval. Staff are authorized to finalize underwriting, complete staff-level approvals, and make all loan commitments. Additionally, the Board grants flexibility to staff to assign the specific source of funds to the programs, except for projects that did not apply to the GO-Housing Multifamily Loan Program.
2. No motion, proposal fails.

**Loan Applications**

**Considered at June 8, 2026 Board Meeting**

Project Name	Location	# Units Requested	Loan Amount	
				Approved
1 Granite Heights	Butte	8	\$ 1,100,000	
2 Churchhill Four Plex	Manhattan	4	\$ 1,034,747	
3 Homes on the Range	Roundup	50	\$ 2,100,000	
4 Wier Building	Roundup	16	\$ 4,303,500	
5 Broadway Apartments	Lewistown	18	\$ 4,216,000	
6 The Hogan	Missoula	36	\$ 5,000,000	
GO-MFHP Total			\$ 17,754,247	\$ -
			Amount Available:	\$ 13,800,000
			Balance	\$ 13,800,000
1 Timberwolf Apartments 4%	Kalispell	228	\$ 2,000,000	
2 Elms Apartments 4%	Kalispell	60	\$ 500,000	
3 Woodward Flats 4%	Bozeman	160	\$ 2,000,000	
4 Saddlehorn Apartments 9%	Miles City	30	\$ 1,450,000	
5 Franklin Crossing 4%	Missoula	164	\$ 5,000,000	
6 Canyon View 4%	Hamilton	24	\$ 2,250,000	
7 LB Lofts 9%	Billings	22	\$ 2,000,000	
8 LB Lofts Laurel Gardens 4%	Billings/Laurel	109	\$ 5,000,000	
9 Towers 9%	Billings	44	\$ 1,300,000	
10 Towers 4%	Billings	101	\$ 2,500,000	
11 Eagles Manor 4%	Helena	139	\$ 2,500,000	
12 North Park 4%	Billings	152	\$ 4,000,000	
13 Glacier View Senior	Columbia Falls	29	\$ 2,300,000	
14 Henley I 4%	Great Falls	184	\$ 3,000,000	
15 Mountain Goat Court	Havre	30	\$ 2,225,000	
GO-HMF Total			\$ 38,025,000	\$ -
			Amount Available:	\$ 29,000,000
			Balance	\$ 29,000,000

\* - The above was randomly selected and is the order used at the June meeting.

Date: April 12, 2026

To: Montana Board of Housing

From: Mike Sparr

RE: Narrative for Granite Heights — Butte 8-Unit New Construction Rental Property

This narrative is submitted in support of a loan application to the Montana Board of Housing (MBOH) under the Growth & Opportunity Housing Trust - Multifamily Homes Program (GO Housing - MFHP) program. The project — Granite Heights — is an 8-unit, new construction multifamily rental building located at the corner of W. Granite Street and N. Clark Street in Butte, Montana 59701, zoned R3. The site is owned by the developer and is within walking distance of both Intermountain Health St. James Hospital (400 S. Clark Street) and Montana Technological University (1300 W. Park Street).



Legal Description: BARNARD ADD, S13, T03 N, R08 W, BLOCK 2, Lot 1 - 2

## **1. Coordination with Housing Assistance Programs**

The developer has engaged in the following coordination efforts with housing assistance programs and public entities prior to and during this application:

**Montana Board of Housing (MBOH):** This application is submitted following review of the MBOH Multifamily Loan Program Guidelines (April 2026). The developer contacted MBOH Multifamily staff at dochdmf@mt.gov and Jason Hanson (jason.hanson@mt.gov) to confirm program eligibility, lien position requirements, and application procedures prior to submitting the Pre-Qualification Form.

**Butte-Silver Bow Planning Department:** The project is consistent with the Butte-Silver Bow 2020 Comprehensive Plan and the completed 2023/2024 Housing Plan (SCJ Alliance), which identifies zoning for higher density and new construction as priority strategies. The site's R3 zoning pre-approves multifamily use, and the developer is working with the city staff to approve needed variances. The Planning Department's ongoing zoning code rewrite (Orion Planning + Design) specifically proposes a new Uptown Neighborhood district — the zone this project would anchor.

**Public Housing Authority of Butte (PHAB):** The developer has reviewed PHAB's programs and confirmed that this project does not duplicate or displace PHAB-administered Section 8 or public housing units. PHAB serves households below 30% AMI with vouchers averaging \$500/month. This project targets households at 80–95% AMI — the missing middle — a distinct income band not served by PHAB inventory.

**Montana Department of Commerce — Housing Programs:** The developer has reviewed the HOMES Program, Housing Montana Fund, and related Commerce-administered programs. The GO Housing - MFHP program is identified as the primary and most appropriate funding source. The developer is not pursuing redundant applications to other Commerce programs for this project at this time.

**Private Construction Lender:** The developer is in active discussions with Montana-based community banks (including Opportunity Bank of Montana, and Frontier Credit Union, formerly First Citizens Bank of Butte) for a conventional construction loan at approximately 7.5% interest-only for the 14-month construction period. The MBOH GO Housing – MFHP loan is structured to take out the construction loan as the permanent financing upon

stabilization or as deemed appropriate by MBOH staff, consistent with the program's two-phase structure.

## **2. How This Loan Will Not Replace Existing or Available Funding**

The MBOH GO Housing – HMF loan is not replacing any existing or available funding source for this project. The following demonstrates the additionality of this request:

**Construction phase:** The construction loan from a private commercial lender will fund the active build period. MBOH is not being asked to fund construction draws or replace a construction lender. The MBOH loan is a permanent takeout loan, not a construction loan, and no MBOH funds will be drawn until the project reaches completion.

**No federal subsidy displacement:** The project is not applying for Low-Income Housing Tax Credits (LIHTC), HOME funds, Community Development Block Grant (CDBG) funds, or any other federal housing subsidy. The MBOH GO Housing – MFHP loan is the sole public funding source in the capital stack. This preserves limited federal subsidy capacity for projects serving deeper income tiers than this project.

**No existing private debt to refinance:** This is ground-up new construction. There is no existing mortgage, note, or other debt on the land or improvements. The MBOH loan is not refinancing or replacing any prior financial obligation.

**Equity contribution is non-cash:** The developer is contributing \$100,000 - 210,000 in non-cash equity — \$160,000 in land value (8 units x est. \$20,000/door per-door, R3 corner lot or \$50,000 county assessed value) and \$50,000 in plans, engineering, and survey costs. No cash equity is being replaced by program funds.

## **3. Public Benefit of Program Funding**

The GO Housing – HMF loan at 3.25% for 30 years is the mechanism that makes this project financially viable at rents accessible to Butte's essential workforce. The public benefit is concrete and quantifiable:

**8 new units of purpose-built housing in a zero-supply corridor.** According to research, not a single multifamily apartment building has been constructed in this Butte corridor since 2000. The AEI Housing Center's 2025 Housing Playbook for Butte-Silver Bow documents a specific shortage of 210 homes. Apartments.com currently lists only 2 available 2-bedroom units in all of Uptown Butte. This project addresses a documented, unmet need.

**6 of 8 units restricted at 95% AMI — 75% threshold met.** Four 2-bedroom units on Floors 1–2 are restricted at \$1,800/month (below the \$1,866 HUD 2025 95% AMI cap for a 3-person household in Silver Bow County). Two 1-bedroom lofts on Floor 3 are restricted at the \$1,556/month AMI cap. Two lofts remain market-rate at \$1,500/month. Income restrictions run for 30 years minimum per the land use restriction agreement.

**Direct benefit to healthcare and university workforce.** The project is located on the same street as Intermountain Health St. James Hospital (400 S. Clark Street) — walking distance for hospital employees. Montana Tech's 2,516-student enrollment (Fall 2025 record) is served by only ~506 on-campus beds, with a current waitlist on apartment housing. New graduate nurses starting at St. James earn approximately \$69,000/year — within the 95% AMI eligibility window — and represent the primary target tenant. The University of Montana's 2024–2025 Healthcare Workforce Report documents that Montana RN wages trail the national average by \$11,883 annually, making affordable housing proximity a meaningful retention factor.

**Rate differential generates lasting affordability.** At 3.25% versus a conventional rate of 6.5–7.5%, the annual debt service savings are approximately \$22,500–\$30,000 per year on the projected loan amount of \$1,100,000. This savings is passed directly to tenants through rents set at or below the AMI cap, rather than at market-maximizing rates. Without the MBOH rate, rents would need to be materially higher — or the project would not cash-flow — making workforce-accessible rents impossible.

**State and local policy alignment.** Governor Gianforte held a press conference in Butte in April 2025 citing the housing shortage as 'one of the biggest issues facing Montanans.' The Butte-Silver Bow Housing Plan (adopted 2023/2024) identifies new construction and higher-density infill as priority strategies. This project advances all three of the Board's

review criteria: income levels targeted, project efficiency (8 units on an owned infill lot with zero land acquisition cost), and location (Butte is an explicitly named qualifying city).

**Economic multiplier.** Based on Montana Board of Housing data, prior MBOH loans of \$49 million generated \$17.7 million in private investment, 421 construction jobs, and \$19 million in wages. This project contributes to that continuing multiplier: a \$1,100,000 MBOH commitment supports a total project cost of approximately \$1.3–1.4 million, with the balance funded by private construction lending and developer equity — leveraging public dollars against private capital.

#### **4. Construction Phase Funding Compared to Available Sources**

The following describes the two-phase financing structure and compares the MBOH permanent loan to available conventional alternatives:

**Phase 1 — Construction Loan (conventional lender, not MBOH):** The developer will obtain a conventional construction loan from a Montana-based community bank at approximately 7.5% interest-only, drawn down over the estimated 14-month construction period. This is the appropriate vehicle for construction risk and draws, and no MBOH funds are requested for this phase. Estimated construction interest (on 50% average draw, 14 months): approximately \$38,000.

**Phase 2 — MBOH GO Housing – MFHP Permanent Loan:** Upon completion of construction, and MBOH staff approval, the MBOH loan closes and retires the construction loan. Loan amount: approximately \$1,100,000. Rate: 3.25%. Amortization: 30 years. Monthly debt service: approximately \$4,780. Annual debt service: approximately \$57,360.

**Conventional permanent loan comparison:** A conventional permanent loan at 7.0% on the same amount (\$1,100,000, 25-year amortization) would require monthly debt service of approximately \$7,770 — nearly \$2,990 more per month, or \$35,880 more per year. At this higher debt service, the project could not sustain rents at the 95% AMI cap and remain financially viable. The MBOH rate is the specific mechanism that enables workforce-accessible rents. No conventional lender offers permanent multifamily financing at rates comparable to the MBOH program for similar projects in this market.

The MBOH GO Housing – MFHP loan is the lowest-cost permanent debt available to this project. No other program with substantially similar terms and conditions — 3.25%, 30-year term, for-profit developer eligible — is available in Montana.

## **5. Mobile Home Park Projects**

Not applicable. This project is a new construction multifamily apartment building. It is not a mobile home park or trailer court as defined in 70-33-103, MCA. This section is included for completeness per the application narrative requirements.

## **Project Summary**

Granite Heights is an 8-unit, 3-story new construction multifamily rental building at the corner of Granite Street and Clark Street in Butte, MT 59701 (R3 zoning, owned lot, no acquisition cost). The project addresses a documented and specific housing shortage in the highest-demand rental corridor in Silver Bow County. Six of eight units are restricted at 95% AMI for a minimum of 30 years. The MBOH GO Housing – HMF loan at 3.25% is the sole public subsidy requested and the specific mechanism enabling workforce-accessible rents. The developer contributes \$100,000 - 210,000 in non-cash equity (land and soft costs), with a private construction lender funding the build phase. The project is consistent with the Butte-Silver Bow Comprehensive Plan, the 2023/2024 Housing Plan, the Governor's housing priorities, and all MBOH program eligibility criteria.

Respectfully submitted,

Mike Sparr

Developer — Granite Heights

Butte, MT 59701

April 12, 2026

**Project Name**

Granite Heights

**HC Requested (10 yr total)**

**Unit Numbers**

**Target**

1-bdrm	'95%	2
1-bdrm	Market	2
2-bdrm	'95%	4
Total Units		8

Average Income Targeting

**Square Footage**

Income Restricted Units	4,400
Managers Unit(s)	
Supportive Services	
Common Space	
Market/Commercial	1,000
Total	5,400

**Unit Rents**

1-bdrm	95%	1,350
1-bdrm	Market	1,550
2-bdrm	95%	1,650
2-bdrm	Market	1,800

**Project Costs**

Land	50,000
Building/Acquisition	-
Site Work	20,000
Construction / Rehab	1,150,000
Soft Costs	40,000
Developer Fees	
Reserves	20,000
Total Project Costs	\$ 1,280,000
Supportive Services Costs	
Residential Costs	\$ 1,280,000

**Financing Sources**

Hard Loan	1,100,000
Hard Loan	
Soft Loan	
Soft Loan	
State HOME	
State CDBG	
State NHTF	
Other	180,000
Other	
Other	
Other	
Deferred Dev Fee	
HC Equity Competative	
HC Equity Non-Competative	
Total Sources:	\$ 1,280,000
% of Project Financed by HC:	0.00%

**Costs versus Sources**

Total Project Costs	\$ 1,280,000
Total Financing Sources	\$ 1,280,000
Difference	\$ -

**Comparative Data for Presentation to the Board**

**Per Unit Comparison**

	<u>Limits</u>		
Cost per unit total	n/a	\$	160,000
Cost per unit residential only	\$395,000	\$	160,000
Cost per unit Const / Rehab	n/a	\$	146,250
Credits per unit	n/a		0

**Per Square Foot Comparison**

Construction / Rehab per sq ft	\$	217
Total Project Cost per sq ft	\$	237
Credits per sq ft		0
Credits per sq ft (residential only)		0

**Utilities Paid by (Tenant / Owner)**

Tenant
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**Date:** April 1, 2026  
**To:** Montana Board of Housing  
**From:** Jeff Riggs  
**RE:** Churchill Four-Plex Conversion Narrative



We see an opportunity to take a building that has outlived its current use and turn it into something the Gallatin Valley actually needs today—housing. Instead of letting this church sit underutilized, we are proposing a straightforward conversion into four well-designed, attainable units that serve workforce and/or low-income families, using the structure, parking, and infrastructure that are already in place.

We purchased this property approximately seven years ago with the intent of eventually improving and repositioning it. There are 3 houses currently being rented on the property. The plan is now to convert the existing church structure into a four-plex. This significantly reduces the overall cost and impact compared to new construction and allows us to focus resources on creating quality housing units.

The goal is to create four units geared toward workforce housing and low-income families. These units will be rented at approximately 80%-90% of market rate, providing attainable housing options for residents who are working and looking to remain in the Churchill and greater Gallatin Valley area. The unit layout has already been designed,

with multiple bedrooms per unit to accommodate families rather than just individuals. Egress, access, and separation between units have all been addressed in the plans, meaning the project is ready to move forward upon funding.

From a construction standpoint, this is a manageable and well-defined project. The primary scope is interior renovation, which is expected to take approximately 6–8 months. Exterior improvements—including updating the appearance of the building, improving the parking lot with striping, and enhancing the overall usability of the site—will take an additional 2–3 months and can be completed concurrently. Because we are working within an existing structure, this project can be delivered more efficiently than new construction.

We have experience completing similar adaptive reuse projects across Montana. These projects require a practical approach—understanding how to work within existing buildings, controlling costs, and delivering a final product that meets market demand. This experience allows us to approach this project with confidence in both timeline and budget.

### **Coordination with Other Housing Programs**

At this time, the project has been evaluated against other available housing assistance programs at the federal, state, and local levels. While we remain open to layering additional funding sources if appropriate, this project is structured to move forward with the requested loan as the primary financing tool.

### **Non-Replacement of Existing Funding**

The requested loan will not replace any existing or committed funding sources. This project does not currently have alternative financing in place that would allow it to proceed at this scale or timeline. The loan is a critical component in moving the project forward and making the conversion financially feasible.

### **Public Benefit**

The public benefit of this project is straightforward and immediate. It will create four new housing units in a market that continues to experience housing shortages,

particularly for workforce and low-income residents. By offering units at approximately 90% of market rent, the project provides attainable housing without requiring long-term subsidy structures.

In addition to creating housing, the project revitalizes an underutilized property. As shown in the project imagery, the site currently includes an existing structure and underperforming parking area. Improvements to the building and site will enhance the visual appearance and functionality of the property, contributing positively to the surrounding area.

The project also avoids the need for new infrastructure or expansion into undeveloped areas, making it an efficient use of existing community resources.

### **Construction Funding Context**

The total project cost and loan request is \$1,034,747. Given that the project is adaptive reuse, construction costs are focused on interior improvements and targeted exterior upgrades rather than full site development. Compared to other available funding sources with similar terms, this loan program provides the flexibility and scale necessary to execute the project in a timely manner.

At the end of the day, this is a practical project with a clear outcome. It puts four families into housing, brings an underutilized building back into productive use, and improves the surrounding property without adding sprawl or overextending infrastructure in a way that delivers real impact for the Churchill community.

**Project Name**

Churchill

**Unit Numbers**

**Target**

3-bdrm	85.00%
4-bdrm	85.00%

Total Units	4
Average Income Targeting	85.00%

**Square Footage**

Income Restricted Units	1,862
Managers Unit(s)	
Supportive Services	
Common Space	675
Market/Commercial	
Total	2,537

**Unit Rents**

3-bdrm	85.00%	2,630
4-bdrm	85.00%	2,934

**Project Costs**

Land		Property Purchased for \$200k
Building/Acquisition		
Site Work	125,000	
Construction / Rehab	814,400	Includes \$50K in contingency costs
Soft Costs	82,023	Pay off existing loan on property
Developer Fees	13,324	
Reserves		
Total Project Costs	\$ 1,034,747	
Supportive Services Costs		
Residential Costs	\$ 1,034,747	

**Financing Sources**

Hard Loan	
Hard Loan	
Soft Loan	
Soft Loan	
State HOME	

State CDBG	
State NHTF	
Other	1,034,747 This loan request
Other	
Other	
Other	
Deferred Dev Fee	
HC Equity Competative	
HC Equity Non-Competative	
Total Sources:	\$ 1,034,747
% of Project Financed by HC:	0.00%

**Costs versus Sources**

Total Project Costs	\$ 1,034,747
Total Financing Sources	<u>\$ 1,034,747</u>
Difference	\$ -

**Comparative Data for Presentation to the Board**

**Per Unit Comparison**

	<u>Limits</u>	
Cost per unit total	n/a	\$ 258,687
Cost per unit residential c	\$395,000	\$ 258,687
Cost per unit Const / Reh	n/a	\$ 234,850
Credits per unit	n/a	

**Per Square Foot Comparison**

Construction / Rehab per sq ft	\$ 370
Total Project Cost per sq ft	\$ 408
Credits per sq ft	
Credits per sq ft (residential only)	

**Utilities Paid by (Tenant / Owner)**

Tenant
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**Pre-Application – Narrative**

Date: April 13, 2026

Montana Board of Housing  
PO Box 200528  
Helena MT 59620-0528

**RE: Homes on the Range, Round Up MT - HC-LOI (Housing Credit – Letter of Intent)**

Dear Board of Housing:

This letter with attachment meets the requirements of the Qualified Allocation Plan as it relates to submission of a “Letter of Intent” and if invited will be eligible to submit a full application.

The property being submitted is as follows:

Property Name:	<b>Homes on the Range</b>
City:	<b>Round Up</b>
County:	<b>Musselshell</b>
Developer:	<b>Northwest Real Estate Capital Corp.</b>
General Partner Owner:	<b>A single-purpose LLC to be formed</b>
Management Company:	<b>Northwest Real Estate Capital Corp.</b>
HC Consultant:	<b>N/A</b>
Property Type (Family/Senior):	<b>Senior, Disabled</b>
Profit/Non-profit:	<b>Non-Profit</b>

Minimum Set-aside:

20/50: \_\_\_\_\_

40/60: **X** \_\_\_\_\_

Average Income: \_\_\_\_\_

**Project Description:**

Homes on the Range is a new construction affordable housing development in Roundup, Montana, serving seniors and individuals with physical disabilities. The project is being developed by Northwest Real Estate Capital Corp. in partnership with the Musselshell Housing Authority (MHA), the current property owner. The development will replace the existing Homes on the Range building with a modern, similarly scaled structure on the same MHA-owned parcel and, upon completion, will be assigned a separate address.

A geotechnical report commissioned by MHA found that the existing building's foundation system is failing and will require replacement in the near future. Building now allows the Housing Authority to preserve these critical units, minimize resident displacement, and avoid future emergency costs. Without redevelopment, the existing structure will require significant capital investment in the near term, creating risk to the long-term viability of this critical affordable housing resource. Upon completion, the current Housing Assistance Payments (HAP) contract is expected to be transferred to the new building, ensuring continuity of rental assistance and long-term affordability for low-income senior households.

The property is centrally located at 10th Avenue and 4th Street East in Roundup, Montana, providing residents with easy access to essential services. A grocery store is 0.5 miles away, healthcare is 0.6 miles away, and downtown amenities including the post office, pharmacy, banks, library, and senior center are within one mile, supporting independence and connectivity.

**Anticipated Amenities and justification for need:**

The Novogradac market study shows strong demand for affordable senior housing in Roundup and the Primary Market Area (PMA). Multifamily rental supply is limited, existing affordable housing operates at full occupancy with waiting lists, and no new affordable developments are planned. Nearly 28 percent of Musselshell County residents are age 65 or older, highlighting the need for safe, accessible housing for seniors, many of whom live on fixed incomes. Roundup has

not recently received a Low-Income Housing Tax Credit award, further demonstrating the need for new investment.

Homes on the Range will provide 50 affordable units, including 46 one-bedroom units and 4 two-bedroom units, designed for seniors and persons with disabilities. The project will serve very low-income households, with rental assistance ensuring affordability for the most vulnerable residents. Units will feature Energy Star appliances, low-flow plumbing, LED lighting, enhanced insulation, and energy-efficient windows to reduce utility costs. Durable finishes, modern cabinetry, and functional layouts support long-term livability.

The development will include accessible common areas, community gathering space, laundry facilities, a library, and an exercise room. Outdoor amenities include a covered gathering area and community garden. These amenities are designed to support aging in place by promoting mobility, health, and social engagement.

### **Development Team**

Northwest Real Estate Capital Corp. (NWRECC) is a nonprofit developer, owner, and manager of approximately 5,600 affordable housing units across the western United States, including 1,600 units in Montana. Nearly half of the Montana portfolio is managed by Tamarack Property Management, a wholly owned subsidiary of NWRECC. With over 30 years of affordable housing development experience and established financing and contractor networks, NWRECC has a proven record of delivering high-quality, financially and physically sustainable housing.

### **Coordination of Funding Sources**

Homes on the Range has been structured with multiple federal, state, and private funding sources to ensure long-term affordability and feasibility. Financing includes Low-Income Housing Tax Credit (LIHTC) equity, HOME Investment Partnerships Program (HOME) funds, National Housing Trust Fund (HTF) resources, Capital Magnet Fund (CMF) financing, Federal Home Loan Bank Affordable Housing Program (FHLB AHP) funds, and federal rental assistance through the HAP

contract, in partnership with the Musselshell Housing Authority. In addition, the Musselshell Housing Authority will provide a direct financial contribution to fund required reserve accounts, including operating and replacement reserves, strengthening long-term financial stability and demonstrating local commitment to preserving this critical housing resource. MHA's role as landowner, partner, and financial contributor significantly reduces development risk and supports long-term operational stability.

These funding sources are structured to align program requirements, underwriting assumptions, and long-term affordability restrictions. The project has completed key predevelopment milestones and is well positioned to begin construction upon award. Construction will be financed with short-term debt that converts to permanent financing upon stabilization. The GO Housing Multifamily Homes Program will provide critical below-market permanent debt, supporting long-term affordability and overall project feasibility.

### **Funding Request**

Homes on the Range requests \$2.1 million in permanent financing from the GO Housing Multifamily Homes Program. This loan will serve as the primary permanent debt, leveraged with LIHTC, HOME, HTF, CMF, and FHLB AHP funds. The requested financing closes the remaining gap that cannot be met by other sources without reducing affordability or scope, enabling the project to proceed as proposed while maintaining long-term affordability and leveraging significant public and private investment.

Thank you for your consideration of this request and your support for affordable housing in rural communities.

Sincerely,

*Andrew Connell*

Andrew Connell

**Project Name**

Homes on the Range

**HC Requested (10 yr total)**

\$ 8,500,000

**Unit Numbers**

**Target**

1-bdrm	30%	18
1-bdrm	50%	28
2-bdrm	30%	2
2-bdrm	50%	2
Total Units		50
Average Income Targeting		42.00%

**Square Footage**

Income Restricted Units	33,848
Managers Unit(s)	-
Supportive Services	-
Common Space	9,000
Market/Commercial	-
Total	42,848

**Unit Rents**

1-bdrm	30%	\$ 491.00
1-bdrm	50%	\$ 819.00
2-bdrm	30%	\$ 589.00
2-bdrm	50%	\$ 982.00

**Project Costs**

Land	
Building/Acquisition	2,000
Site Work	
Construction / Rehab	10,802,195
Soft Costs	1,724,587
Developer Fees	1,790,000
Reserves	298,950
Total Project Costs	\$ 14,617,732
Supportive Services Costs	
Residential Costs	\$ 14,617,732

**Financing Sources**

Go Trust - Multi-Family Housing Funds	2,100,000
Hard Loan	
Soft Loan	
Soft Loan	
State HOME	1,200,000
State CDBG	
State NHTF	1,300,000
Musselshell Housing Authority	240,323
Federal Home Loan Bank – AHP	2,000,000
RCAC – CMF	500,000
GP Equity	100
Deferred Dev Fee	393,000
HC Equity Competative	6,884,309
HC Equity Non-Competative	
Total Sources:	\$ 14,617,732
% of Project Financed by HC:	47.10%

**Costs versus Sources**

Total Project Costs	\$	14,617,732
Total Financing Sources	\$	<u>14,617,732</u>
Difference	\$	-

**Comparative Data for Presentation to the Board**

(additional data may be provided at staff discretion)

**Return on Sale of HTC**

HTC Requested	\$	8,500,000
HTC Equity	\$	6,884,309
HTC Return on Sale		0.81

**Per Unit Comparison**

	<b><u>Limits</u></b>		
Cost per unit total	n/a	\$	292,355
Cost per unit residential only	\$395,000	\$	292,355
Cost per unit Const / Rehab	n/a	\$	216,044
Credits per unit	n/a	\$	170,000

**Per Square Foot Comparison**

Construction / Rehab per sq ft	\$	252
Total Project Cost per sq ft	\$	341
Credits per sq ft	\$	198
Credits per sq ft (residential only)	\$	198

**Utilities Paid by (Tenant / Owner)**

Tenant
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Date: April 8, 2026  
To: Montana Board of Housing  
From: Long View Development Services  
RE: Narrative for Wier Building

### ***Project Overview***

The Wier Building will be a mixed-use building with five commercial spaces fronting Main Street, five residential units on the ground floor facing the alley, and eleven residential units on the second floor. Residential units will be priced for workforce housing, accessible to people making between 79% and 85% AMI. Serving the “missing middle” is a core part of our mission.

In addition, the Wier Building is a historic building listed on the National Register of Historic Places. We will substantially rehabilitate the building while preserving its historic character, and the capital stack benefits from federal and state historic tax credits.

Finally, we will pursue LEED Platinum certification for this building. Designing to LEED Platinum standards will significantly lower operating costs and create predictable, very low monthly utility costs for tenants—an issue we know currently impacts many in Roundup today.

### ***Commercial Space***

The Wier Building is a prime example of small-town Montana Main Street construction, with ground-floor commercial space and a handsome storefront façade, and we believe restoring this commercial space will return economic vibrancy to downtown Roundup. Therefore, it is important that this building retains its commercial space.

That said, the commercial space in the Wier Building represents only about 40% of the building’s total square footage, and it represents less than 30% of our anticipated construction costs. Approximately 30% of our project’s capital stack comes from limited partnership equity, historic and energy tax credit equity, and TIF grants. Functionally, close to 100% of MBOH funding will go toward the project’s residential units.

In addition, we are excited to announce that we have a signed Letter of Intent with a future commercial tenant who has significant restaurant experience and plans to run a brewery and restaurant in two of the five commercial spaces.

### ***Capital Stack Coordination***

Long View Development has pursued no other housing assistance programs. We do intend to secure a bridge loan with Impact Development Fund (IDF) to bridge historic and energy tax credits; IDF requires that 100% of units are rent restricted to 100% AMI or below, which is compatible with this MBOH loan program. IDF's bridge loan is the only loan we will pursue that places rent or income restrictions on the project. It is important to note that the historic tax credit program requires the property to produce income for five years, but it places no other rent or income restrictions on the project.

A GO Housing MFHP loan will not replace existing or available funding for this project. In fact, if this loan program did not exist, we would not be able to renovate the Wier Building at all, as the project's pro forma does not work without the low interest rate.

### ***Community Need & Benefit***

The City of Roundup will benefit enormously from the Wier Building development. First, the Wier Building has one of the largest stretches of undeveloped commercial space in the downtown core of Main Street, and to renovate the façade and fill these units will restore vibrancy to Roundup. In addition, the project will place sixteen new residential units on the rental market, which will help alleviate Roundup's severe housing shortage. Please read the provided letter of support from Roundup Memorial Healthcare, which outlines the crucial need for housing and commercial infrastructure. In addition, letters of support from the Musselshell County Commissioners, City of Roundup, and Roundup Community Partners provide clear evidence that this building is important to the local community and will be hugely impactful once completed.

### ***Entity Note***

Long View Development Services is the sister company of High Plains Architects, PC; it is unincorporated as of April 6, 2026 but will incorporate as an LLC within the next few

months. In addition, Long View Development Services intends to form a new single-asset limited partnership, named Wier Development Venture, LP, which will be the official borrowing entity for this GO Housing MFHP loan.

**Project Name**

Wier Building
\$ -

**HC Requested (10 yr total)**

**Unit Numbers**

**Target**

1-bdrm	82%	9
2-bdrm	80%	5
3-bdrm	79%	2
Total Units		16
Average Income Targeting		81.00%

**Square Footage**

Income Restricted Units

11,735
-
-
6,000
7,790

Managers Unit(s)

Supportive Services

Common Space

Market/Commercial

Total

25,525

**Unit Rents**

1-bdrm	82%	1,350
2-bdrm	80%	1,575
3-bdrm	79%	1,800

**Project Costs**

Land	25,000
Building/Acquisition	300,000
Site Work	-
Construction / Rehab	4,375,000
Soft Costs	1,159,373
Developer Fees	75,000
Reserves	95,200
Total Project Costs	\$ 6,029,573
Supportive Services Costs	\$ -
Residential Costs	\$ 6,029,573

**Financing Sources**

Hard Loan	4,303,500
Hard Loan	
Soft Loan	
Soft Loan	
State HOME	
State CDBG	
State NHTF	
Other Cash/Equity	325,000
Other Historic Tax Credit	1,345,000
Other Energy Tax Credit	56,250
Other TIF grant	75,000
Deferred Dev Fee	
HC Equity Competitive	
HC Equity Non-Competative	
Total Sources:	\$ 6,104,750
% of Project Financed by HC:	0.00%

**Costs versus Sources**

Total Project Costs	\$	6,029,573
Total Financing Sources	\$	<u>6,104,750</u>
Difference	\$	(75,177)

**Comparative Data for Presentation to the Board**

(additional data may be provided at staff discretion)

**Per Unit Comparison**

	<u>Limits</u>		
Cost per unit total	n/a	\$	376,848
Cost per unit residential only	\$395,000	\$	376,848
Cost per unit Const / Rehab	n/a	\$	273,438
Credits per unit	n/a		

**Per Square Foot Comparison**

Construction / Rehab per sq ft	\$	171
Total Project Cost per sq ft	\$	236
Credits per sq ft		
Credits per sq ft (residential only)		

**Utilities Paid by (Tenant / Owner)**

Owner
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Date: April 8, 2026  
To: Montana Board of Housing  
From: Broadway Apartments Development Venture, LP  
RE: Narrative for Broadway Apartments

### ***Project Overview***

The Broadway Apartments will be a three-story multifamily residential building. Units will be priced for workforce housing, accessible to people making between 79% and 82% AMI. Serving the “missing middle” is a core part of our mission.

In addition, Broadway Apartments is a historic building listed on the National Register of Historic Places, and we plan to substantially rehabilitate the building while preserving its historic character. Our Part II Historic Tax Credit Application has already been approved by the National Park Service, and the capital stack benefits from federal and state historic tax credits.

Finally, we will pursue LEED Platinum certification for this building. Designing to LEED Platinum standards will significantly lower operating costs and create predictable, very low monthly utility costs for tenants.

### ***Project Timeline***

It is important to note that Broadway Apartments is ready to start construction as early as July 2026. Construction drawings are complete, the building permit has been approved, and we are in the process of locking in final construction pricing.

### ***Capital Stack***

Long View Development, on behalf of Broadway Apartments Development Venture, LP, has pursued no other housing assistance programs. We do intend to secure a bridge loan with Impact Development Fund (IDF) to bridge historic and energy tax credits; IDF requires that 100% of units are rent restricted to 100% AMI or below, which is compatible with the MBOH loan program. IDF’s bridge loan is the only loan we will pursue that places rent or income restrictions on the project. It is important to note that

the historic tax credit program requires the property to produce income for five years, but it places no other rent or income restrictions on the project.

A GO Housing MFHP loan will not replace existing or available funding for this project. In fact, if this loan program did not exist, we would not be able to renovate the Broadway Apartments building at all, as the project's pro forma does not work without the low interest rate. HUD has designated Fergus County as a 2026 Nonmetropolitan Difficult Development Area, and the low interest rate provided through this program is crucial in order to offset the high cost of construction.

### ***Community Benefit & Local Involvement***

Broadway Apartments will place eighteen workforce housing units on the market in the midst of a housing crisis. In 2024, the Lewistown Plan listed housing as a critical community need, with the first priority being infill development in the downtown area—where Broadway Apartments are located. In addition, Lewistown is in a period of significant economic growth due to the opening of the \$10M VACOM manufacturing facility and the imminent launch of the \$141B Sentinel Missile program. Adding eighteen high-quality residential units on the market by 2027 will make a significant impact on the availability of local workforce housing during this crucial time.

Finally, please see the provided letter of support from Snowy Mountain Development Corporation, which outlines the local support we have received for this project as well as how they anticipate the project will benefit the community.

### ***Entity Note***

Long View Development Services is the sister company of High Plains Architects, PC; it is unincorporated as of April 6, 2026 but will incorporate as an LLC within the next few months. Broadway Apartments Development Venture, LP is the legal single-asset entity that will be the official borrowing entity for this GO Housing MFHP loan.

**Project Name**

Broadway Apartments

**HC Requested (10 yr total)**

\$ -

**Unit Numbers****Target**

0-bdrm	79%	2
1-bdrm	83%	4
2-bdrm	79%	6
3-bdrm	77%	6

Total Units 18

Average Income Targeting 79.22%

**Square Footage**

Income Restricted Units	10,812
Managers Unit(s)	-
Supportive Services	-
Common Space	4,959
Market/Commercial	-
Total	15,771

**Unit Rents**

0-bdrm	79%	1,250
1-bdrm	83%	1,400
2-bdrm	79%	1,600
3-bdrm	77%	1,800

**Project Costs**

Land	-
Building/Acquisition	-
Site Work	-
Construction / Rehab	4,800,000
Soft Costs	1,175,226
Developer Fees	100,000
Reserves	84,600
Total Project Costs	\$ 6,159,826
Supportive Services Costs	\$ -
Residential Costs	\$ 6,159,826

**Financing Sources**

Hard Loan	4,216,000
Hard Loan	
Soft Loan	
Soft Loan	
State HOME	
State CDBG	
State NHTF	
Other Cash/Equity	295,000
Other Historic Tax Credits	1,329,000
Other Energy Tax Credits	280,125
Other TIF grant	100,000
Other Rural Montana Rural	40,000
Deferred Dev Fee	
HC Equity Competative	
HC Equity Non-Competative	
Total Sources:	\$ 6,260,125
% of Project Financed by HC:	0.00%

**Costs versus Sources**

Total Project Costs	\$ 6,159,826
Total Financing Sources	<u>\$ 6,260,125</u>
Difference	\$ (100,299)

**Comparative Data for Presentation to the Board**

(additional data may be provided at staff discretion)

**Per Unit Comparison**

	<b><u>Limits</u></b>		
Cost per unit total	n/a	\$	342,213
Cost per unit residential only	\$395,000	\$	342,213
Cost per unit Const / Rehab	n/a	\$	266,667
Credits per unit	n/a	\$	-

**Per Square Foot Comparison**

Construction / Rehab per sq ft	\$	304
Total Project Cost per sq ft	\$	391
Credits per sq ft	\$	-
Credits per sq ft (residential only)	\$	-

**Utilities Paid by (Tenant / Owner)**

Owner

Date: April 13, 2026  
To: Montana Board of Housing  
From: Hogan Senior Living, LLC  
RE: Narrative for The Hogan

The Hogan is a 36-unit, 55+ shared-living community in Missoula that was completed in the Spring of 2023. It combines private studio and one-bedroom units with generous shared common spaces intentionally figured to foster social connection and community building. Constructed to high energy-efficiency standards, the property prioritizes resident well-being and sustainable performance. These design and operational strengths earned selection for the 2025 American Institute of Architects (AIA) Design for Aging Review and an Honorable Mention from AIA Montana.

Centrally located in Missoula, The Hogan is well suited to the needs of its 55+ residents. It sits approximately 200 yards from the Missoula Senior Center and about 300 yards from a neighborhood grocery (Orange Street Food Farm), is served by two public transit routes, and is within walking distance of the Missoula River Trail and the city's Hip Strip commercial corridor. St. Patrick Hospital is under a mile away, and the University of Montana — with its arts, athletics, and the Osher Lifelong Learning Institute — is also walkable, offering residents convenient access to culture, education, and sporting events.

From the project's outset, The Hogan was guided by three primary goals: 1) enrich the social environment through shared spaces and resident-driven programming; 2) enable aging in place so residents can remain in their homes as mobility needs change; 3) preserve long-term affordability for the local senior population.

The project has largely achieved its design intentions. Social enrichment has emerged organically: residents lead a robust calendar of communal activity that includes planned and spontaneous potlucks, movie nights, cooking demonstrations and classes, craft sessions, music events, game nights, and joint viewing of sporting events. These

resident-led activities reduce isolation and strengthen community bonds without relying on paid staff to program events. Aging-in-place goals are supported by full accessibility of units and common areas; residents who have experienced injury or require wheelchair use have been able to remain in their homes and receive in-unit care. On affordability, ownership has kept rents reasonable through active stewardship, though formal deed restrictions are not yet recorded. The building's energy-efficient systems have also produced lower utility costs and more predictable operating expenses.

During development, COVID-era construction inflation and market uncertainty required financial flexibility and prevented the owners from committing to income or rent restrictions. The project was completed on budget, and after nearly three years of start-up and stabilization the ownership is now prepared to formalize the original affordability commitment. The current objective is to record deed restrictions that secure long-term, income-targeted rents for eligible residents while preserving a potential future pathway to resident ownership once the property is operationally and financially ready.

Originally capitalized with \$3,655,000 in equity from 20 local, values-driven investors and \$5,110,000 in debt from Stockman Bank (approximately a 58% loan-to-cost profile), the ownership seeks to refinance the existing loan and establish reserves to stabilize operations under reduced revenue assumptions. Because our current commercial loan will require imminent refinancing -- a circumstance that will necessitate us to increase rents substantially -- this financing is essential to permanently lock in a affordability for residents.

Financing that aligns capital structure with restricted-rent assumptions will enable The Hogan to transition to deed-restricted a ordability while preserving its award-recognized design, energy performance, and community-oriented operations.

**Project Name**

The Hogan

**HC Requested (10 yr total)****Unit Numbers****Target**

0-bdrm	95%
0-bdrm	Market
1-bdrm	95%
1-bdrm	Market

22
1
5
8

Total Units

36

Average Income Targeting

**Square Footage**

Income Restricted Units

450sf

Managers Unit(s)

n/a

Supportive Services

n/a

Common Space

5,000sf

Market/Commercial

n/a

Total

-

**Unit Rents**

0-bdrm	95%
0-bdrm	Market
1-bdrm	95%
1-bdrm	Market

\$1,500
\$1,600
\$1,750
\$2,100

**Project Costs**

Land

Building/Acquisition

8,463,000

Site Work

Construction / Rehab

Soft Costs

50,000

Equity Appreciation

940,000

CapEx Reserves

142,000

Total Project Costs

\$ 9,595,000

Supportive Services Costs

Residential Costs

\$ 9,595,000

**Financing Sources**

Hard Loan	5,000,000
Hard Loan	
Soft Loan	
Soft Loan	
State HOME	
State CDBG	
State NHTF	
Owners Equity	4,595,000
Other	
Other	
Other	
Deferred Dev Fee	
HC Equity Competative	
HC Equity Non-Competative	
Total Sources:	\$ 9,595,000
% of Project Financed by HC:	0.00%

**Costs versus Sources**

Total Project Costs	\$ 9,595,000
Total Financing Sources	<u>\$ 9,595,000</u>
Difference	\$ -

**Comparative Data for Presentation to the Board**

(additional data may be provided at staff discretion)

**Per Unit Comparison**

	<b><u>Limits</u></b>		
Cost per unit total	n/a	\$	266,528
Cost per unit residential only	\$395,000	\$	266,528
Cost per unit Const / Rehab	n/a	\$	-
Credits per unit	n/a	\$	-

**Per Square Foot Comparison**

Construction / Rehab per sq ft  
Total Project Cost per sq ft  
Credits per sq ft  
Credits per sq ft (residential only)

**Utilities Paid by (Tenant / Owner)**

Owner
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## **Montana Board of Housing**

### **RE: The Timberwolf Apartments,**

Dear Montana Board of Housing,

Mach Development and Boundary Development are pleased to submit this application for the Timberwolf Apartments, proposed to be financed through Private Activity Bonds and 4 percent Low-Income Housing Tax Credits. Timberwolf Apartments is a new construction, 228-unit affordable housing development located within the Timberwolf Ridge Planned Unit Development in Kalispell, Montana, at 605 Stillwater Road.

The project is situated in a DDA and benefits from close proximity to key amenities, including approximately four miles from downtown Kalispell, thirteen miles from Whitefish, one-half mile from Kalispell High School, and ~one mile from North Kalispell's primary commercial corridor. This central location places the development within one of the region's fastest-growing areas.

Timberwolf Apartments is designed to address the critical need for affordable housing in the region and will serve households earning at or below 60 percent of the area median income.

### **Building Description**

The site is approximately 11.0 acres and the Project will feature six buildings of 38 and 48 units. The Project will include 84 one-bedrooms, 108 two-bedrooms and 36 three-bedrooms. The units will include Energy Star appliances, open living and kitchen areas and expansive views. The Project will include 342 on-site parking spaces, active open space, a playground, a fitness center and a community room. Our design will incorporate sustainable design features, energy star appliances and conform to the Montana Board of Housing Green Building requirements.

### **Market Overview**

Kalispell is the economic hub of Flathead County and one of the fastest-growing micropolitan areas in the Mountain West. Growth has been driven by high-amenity migration, a diversified regional economy, and expanding transportation infrastructure, including a recent terminal expansion at Glacier Park International Airport. Flathead County's population surpassed 100,000 in the 2020 Census and continues to grow, supported by strong employment in healthcare, retail, construction, manufacturing, and visitor services.

Despite these strong fundamentals, housing supply - particularly affordable and workforce housing - has not kept pace with demand. The University of Montana Bureau of Business and Economic Research estimates that Flathead County underbuilt housing throughout the past decade, resulting in a cumulative shortage of approximately 3,161 units. This imbalance has driven rapid increases in home prices and rents, declining vacancy rates, and widespread affordability challenges. Median home prices increased more than 230 percent between 2012 and 2024, while income growth lagged significantly, placing homeownership out of reach for many local workers and increasing pressure on the rental market.

The Novogradac Market Study for the Timberwolf Apartments further confirms the critical shortage of affordable units:

- There are relatively few existing affordable rental units in Kalispell, and those that do exist operate at near-full occupancy. Our Novogradac market study identified only 324 competitive LIHTC units

in the Primary Market Area, with an average occupancy rate of 99.2 percent and vacancy rates ranging from zero to 2.9 percent. (Page 2 of market study)

- Demand for new affordable units far exceeds supply. The study identifies a need for 698 affordable units. (Page 5 of market study)
- Four of the five affordable comparable properties reported being fully occupied and three maintaining waiting lists. (Page 2 of market study)

## **Development Team Experience**

**Boundary Development** is a Montana-based developer and owner, focused on affordable and market-rate multifamily development. We are a long-term investor and seek to create design-driven projects that have a sense of place and enhance the communities around them. Our team seeks to add value by applying a disciplined and creative approach to acquisitions, financing, design, construction and the overall realization of each project. Boundary has approximately \$200 million of active projects in Montana, including two (2) twin 4% / 9% tax-credit financed projects in Bozeman and Livingston. Boundary has been actively working in the Kalispell area for the past several years, providing a familiarity with local market conditions, entitlement processes, municipal coordination, and the regional subcontractor base. This active presence materially reduces execution risk and enhances certainty of delivery on schedule and on budget.

**MACH Development** is a Montana based real estate developer and owner focused on high density multifamily housing across the western United States. Our work spans affordable housing, market rate apartments, and senior housing, allowing us to operate across a wide range of project types and capital structures. We invest with a long-term perspective and remain closely involved throughout the life of each project.

Our team manages the entire development process including site selection, underwriting, entitlements, design coordination, construction oversight, and ongoing asset management. By maintaining hands on control and disciplined execution, we deliver high quality housing that meets real market needs and performs over time.

**CAPNM** is a private, nonprofit Community Action Agency founded in 1976 that works to alleviate poverty, improve lives, and strengthen communities across Flathead, Lake, Lincoln, and Sanders counties in northwest Montana. It provides a wide range of services and advocacy to help individuals and families achieve long-term self-sufficiency, including housing assistance, energy and weatherization support, education and job training, financial counseling, and community resource navigation.

## **Financing and Timeline**

The financing for Timberwolf Apartments includes tax-exempt bonds issued by Montana Board of Housing (MBOH), equity from the sale of non-competitive 4% Low Income Housing Tax Credits, Montana Healthcare Foundation soft debt and Montana NeighborWorks soft debt. The Timberwolf Apartments anticipates closing its financing and starting construction in September 2026, with construction completion by April 2028.

Thank you for your time and commitment to affordable housing in Montana.

Sincerely,

Mach Development and Boundary Development

<b>City</b>	<b>Kalispell</b>
<b>County</b>	<b>Flathead County</b>
<b>Project Name</b>	<b>Apartments</b>
<b>HC Requested</b>	27,582,830

<b><u>Unit Numbers</u></b>	<b><u>Target</u></b>	
1-bdrm	60%	84
2-bdrm	60%	108
3-bdrm	60%	36
Total Units		228
Average Income Targeting		60.00%

<b><u>Square Footage</u></b>	
Income Restricted Units	170,400
Managers Unit(s)	-
Supportive Services	-
Common Space	-
Market/Commercial	-
Total	<u>170,400</u>

<b><u>Unit Rents</u></b>		
1-bdrm	60%	1,035
2-bdrm	60%	1,243
3-bdrm	60%	1,429
Total Monthly Rents		272,628
vacancy factor		<u>5.00%</u>
Adjusted Rent		258,997
other/commercial income		<u>10,368</u>
total rent		269,365
x 12 months		<u>12</u>
Total Annual Income		3,232,378

**Expenses**

Administration	57,000
Management	101,925
Maintenance	205,200
Operating	670,363
Taxes	71,960
Replacement Reserve	79,800
Total Expenses	<u>1,186,248</u>

Net Income Before Debt	2,046,131
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**Financing Sources**

Hard Loan	25,710,000
Hard Loan	2,000,000
Soft Loan	-
Soft Loan	-
State HOME	-
State CDBG	-
State NHTF	-
Other	2,000,000
Other	750,000
Other	1,500,000
Other	-
Deferred Dev Fee	4,418,201
HC Equity Competitive	-
HC Equity Non-Competitive	<u>23,167,262</u>
Total Sources:	59,545,463
% of Project Financed by HC:	38.91%

**Return on Sale of HTC**

HTC Requested	27,582,830
HTC Equity	23,167,262
HTC Return on Sale	0.840

**Ratios**

Rent (Income)	3,232,378
Operating	
Expenses	1,106,448
Replacement	
Reserves	79,800
Net Income	
Available for	
DS	2,046,131
Total Debt Service	\$1,746,213
Debt Coverage Ratio (DCR)	1.17
Total Expense Ratio	1.10

**Project Costs**

Land	4,000,000
Building/Acquisition	-
Site Work	-
Construction / Rehab	41,424,173
Soft Costs	6,260,202
Developer Fees	6,926,923
Reserves	934,165
Total Project Costs	59,545,463
Supportive Services Costs	-
Residential Costs	59,545,463

### **Costs versus Sources**

Total Project Costs	59,545,463
Total Financing Sources	<u>59,545,463</u>
Difference	(0)

### **Project Cost Limitations**

	<u>Limits</u>	
General Requirements	6.00%	5.21%
Contractor Overhead	2.00%	1.74%
Contractor Profit	6.00%	1.74%
Developer Fees	15.00%	14.53%
Soft Cost	40 or 45%	31.83%

### **Per Unit Comparison**

	<u>Limits</u>	
Cost per unit total	n/a	-
Cost per unit residential only	\$395,000	-
Cost per unit Const / Rehab	n/a	-
Credits per unit	n/a	-
Operating Cost per unit	\$3,000 min	-
Replacement Reserves	\$350 min	-

### **Per Square Foot Comparison**

Construction / Rehab per sq ft	243.10
Total Project Cost per sq ft	349.45
Credits per sq ft	161.87
Credits per sq ft (residential only)	-

**Utilities Paid by (Tenant / Owner)** Tenant



April 17, 2026

Jason Hanson  
Montana Board of Housing  
PO Box 200528  
Helena, MT 59620-0528

RE: Timberwolf Ridge  
Proposed Affordable Housing in Kalispell Montana

Dear Mr. Hanson,

We are writing in support of the proposed apartment complex in Timberwolf Ridge. Kalispell is facing a severe shortage of rental units, pushing the pricing of our existing rental housing stock out of reach for our residents with low to moderate incomes.

The proposed location is in an area seeing substantial growth, particularly in relation to both single-family and multi-family residential units, and has an existing approved planned unit development overlay supporting this use. It is near the high school and employment centers, as well as health care facilities. This project would help add to that mix and expand housing choices, particularly for those within the income range targeted by the developer.

Thank you again for your timely work in Kalispell and we look forward to helping this greatly needed project to completion.

Sincerely,

PJ Sorensen  
Assistant Development Services Director  
Office: (406) 758-7732  
[psorensen@kalispell.com](mailto:psorensen@kalispell.com)

**From:** [Ryan Hunter](#)  
**To:** [Hanson, Jason](#)  
**Cc:** [Nygren, Jarod](#)  
**Subject:** [EXTERNAL] Timberwolf  
**Date:** Tuesday, April 14, 2026 8:12:30 AM  
**Attachments:** [Outlook-virjmkwg.png](#)

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Hi Jason,

I received your letter soliciting input regarding the proposed affordable housing units in Kalispell proposed for the Timberwolf project. I'm responding only on behalf of myself and do not represent the city or the city council. As you are likely aware, Kalispell has experienced rapid growth in recent years, which has put tremendous pressure on affordability locally. Affordable housing is desperately needed and projects that increase the availability of affordable housing are very much welcome.

Needless to say, if a project were to receive Low Income Housing Tax Credits, it should be deed restricted to ensure affordability over a long term with a non-profit housing provider involved to ensure that the deed restricted commitment is upheld over time. Is this project deed restricted with a non-profit housing provider involved?

Thank you.

Ryan Hunter  
Mayor of Kalispell  
[rhunter@kalispell.com](mailto:rhunter@kalispell.com)



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## **THE Elm APARTMENTS**

### **Go Housing HMF Fund Narrative**

#### **60-Unit Acquisition Rehab | Senior Housing**

##### **Kalispell, Montana**

#### **Coordination with Other Housing Assistance Programs**

The developer has actively pursued and coordinated gap financing from multiple housing and community development funding sources to support the project. The project has received a support letter from Montana NeighborWorks in the amount of \$750,000. While this commitment represents meaningful progress toward closing the financing gap, it is not sufficient to fully fund the project.

The applicant is coordinating closely with the Montana Board of Housing to align application, underwriting, and review timelines to ensure consistency in financial structuring, efficient deployment of funds, and timely advancement of the project.

#### **Non-Replacement of Existing or Available Funding**

The requested loan is necessary to close a financing gap associated with the acquisition and rehabilitation of The Elms and does not replace an existing or available funding sources. The capital stack has been maximized through conventional debt and committed equity; however, total development costs exceed what can be supported through traditional financing alone.

The rehabilitation scope includes planned upgrades to building systems, life-safety components, and interiors, as well as required mitigation typical of properties of this vintage. These items have been identified through due diligence and are incorporated into the project budget to ensure full regulatory compliance and resident safety.

Permanent financing is limited by debt service coverage requirements based on projected stabilized income. The requested low-interest loan is therefore essential to complete the planned improvements while maintaining long-term financial stability. The funds supplement existing sources and ensure full execution of the approved rehabilitation plan.

## **Public Benefit Obtained from Program Funding**

Program funding will provide a substantial and long-term public benefit by preserving and rehabilitating The Elms, an affordable senior housing community serving income-qualified residents at or below 60 percent of area median income. The project will maintain long-term affordability through a recorded land use restriction agreement while preserving 41 project-based vouchers that provide critical rental assistance to extremely low-income seniors.

Affordable senior housing is limited in the market, and demand continues to outpace supply. Fixed-income seniors are particularly vulnerable to rising rents, inflationary pressures, and housing instability. Preserving The Elms ensures that affordable, amenity-rich housing remains available to this population and prevents displacement of existing residents.

By extending the useful life of this asset and protecting its subsidy structure, the project delivers a clear and measurable public benefit to low-income seniors and the broader community.

## **Construction-Phase Funding Comparison**

The project will utilize a conventional construction loan, Link Deposits, and construction PAB from Glacier Bank. In the current interest rate environment, market-rate construction debt alone cannot support the full scope of acquisition and rehabilitation costs without placing undue strain on project cash flow and long-term sustainability.

The requested HMF / MHT-HMF loan is not comparable to, nor does it replace, existing construction-phase financing. Rather, its lower-interest, subordinate structure provides essential gap funding that reduces overall financing costs, supports required debt service coverage, and strengthens financial feasibility during construction and lease-up.

This structure ensures the successful completion of planned improvements while maintaining long-term affordability and operational stability at The Elms.

## **Lien Priority**

The lien securing the Board's loan will be subordinate to the senior construction and permanent financing, including the construction loan provided by Glacier Bank. Final lien position will be established at closing through customary loan documentation and any required intercreditor agreements.

This structure reflects standard industry practice and is consistent with the subordinate, gap-financing role of the HMF / MHT-HMF loan.

## **Efforts to Obtain Other Funding and Outcomes**

The applicant has actively pursued multiple funding sources to support the acquisition and rehabilitation of The Elms. A request of \$1,250,000 was submitted to Montana NeighborWorks; in coordination with the Montana Healthcare Foundation, they are currently able to commit a combined total of \$750,000. While this represents meaningful support, the amount available is constrained by cash flow repayment limitations necessary to maintain long-term project feasibility.

In addition, the applicant is pursuing approximately \$800,000 to \$1,000,000 through the Montana Department of Environmental Quality's Multifamily Energy Retrofit Loan Program to fund energy-efficient building upgrades. These funds are competitive and not guaranteed.

Although these sources demonstrate substantial effort to secure alternative financing, they are either limited in size or uncertain in availability and are not sufficient to fully close the remaining financing gap. The requested HMF / MHT-HMF loan is therefore necessary to enable the project to proceed as proposed.

<b>City</b>	<b>Kalispell</b>
<b>County</b>	<b>Flathead County</b>
<b>Project Name</b>	<b>The Elms</b>
<b>HC Requested</b>	6,495,660

<b><u>Unit Numbers</u></b>	<b><u>Target</u></b>	
1-bdrm	60%	60
Total Units		60
Average Income Targeting		60.00%

<b><u>Square Footage</u></b>		
Income Restricted Units		39,000
Managers Unit(s)		-
Supportive Services		-
Common Space		-
Market/Commercial		-
Total		<b>39,000</b>

<b><u>Unit Rents</u></b>		
1-bdrm	60%	1,243
Total Monthly Rents		74,593
vacancy factor		5.00%
Adjusted Rent		<b>70,863</b>
other/commercial income		<b>6,800</b>
total rent		<b>77,663</b>
x 12 months		<b>12</b>
Total Annual Income		<b>931,956</b>

**Expenses**

Administration	17,854
Management	35,431
Maintenance	125,140
Operating	108,978
Taxes	-
Replacement Reserve	21,000
Total Expenses	<u>308,403</u>

Net Income Before Debt Service	623,553
--------------------------------------	---------

**Financing Sources**

Hard Loan	7,736,771
Hard Loan	500,000
Soft Loan	-
Soft Loan	-
State HOME	-
State CDBG	-
State NHTF	-
Other	750,000
Other	236,427
Other	-
Other	-
Deferred Dev Fee	1,100,842
HC Equity Competitive	-
HC Equity Non-Competitive	<u>5,455,707</u>
Total Sources:	15,779,747
% of Project Financed by HC:	34.57%

**Return on Sale of HTC**

HTC Requested	6,495,660
HTC Equity	5,455,707
HTC Return on Sale	0.840

### **Ratios**

Rent (Income)	931,956
Operating Expenses	287,403
Replacement Reserves	21,000
Net Income Available for DS	623,553
Total Debt Service	\$524,581
Debt Coverage Ratio (DCR)	1.19
Total Expense Ratio	1.12

### **Project Costs**

Land	834,409
Building/Acquisition	7,165,591
Site Work	-
Construction / Rehab	4,026,840
Soft Costs	1,565,637
Developer Fees	1,917,270
Reserves	270,000
Total Project Costs	<u>15,779,747</u>
Supportive Services Costs	-
Residential Costs	15,779,747

### **Costs versus Sources**

Total Project Costs	15,779,747
Total Financing Sources	<u>15,779,747</u>
Difference	-

### **Project Cost Limitations**

	<b><u>Limits</u></b>	
General Requirements	6.00%	3.10%
Contractor Overhead	2.00%	1.55%
Contractor Profit	6.00%	0.00%
Developer Fees	15.00%	15.03%
Soft Cost	40 or 45%	28.96%

### **Per Unit Comparison**

	<b><u>Limits</u></b>	
Cost per unit total	n/a	262,996
Cost per unit residential only	\$395,000	262,996
Cost per unit Const / Rehab	n/a	67,114
Credits per unit	n/a	108,261
Operating Cost per unit	\$3,000 min	4,790
Replacement Reserves	\$350 min	350

### **Per Square Foot Comparison**

Construction / Rehab per sq ft	103.25
Total Project Cost per sq ft	404.61
Credits per sq ft	166.56
Credits per sq ft (residential only)	166.56

### **Utilities Paid by (Tenant / Owner)**

Tenant

# REUTERWALTON

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*MONTANA HOUSING*  
301 S. Park Ave.  
P.O. Box 200528  
Helena, MT 59620-0528

## **RE: Woodward Flats – 160-unit Workforce Housing Project**

Reuter Walton Development is proposing a 160-unit affordable housing development located at 1825 West Kagy Blvd. in Bozeman, MT. The site is located in a QCT and the developer bought the land as of December 2025. The site includes a vacated Church and is surrounded by expanding development in close approximately to Montana State University. To the project's east is the University which features a grocer, bank, restaurants, and other necessities. Most of the south and west are expanding farmlands into housing developments. Gallatin Crossings shopping area is approximately .5 miles NW of this site as well.

Reuter Walton's affordable housing proposal includes a total of One Hundred Seventy-Four (160) units of affordable housing serving households earning 60% of Area Median Income (AMI). The proposal includes housing for both individual and family households with fifty-seven (57) one-bedroom units, fifty-nine (59) two-bedroom units, and forty-four (44) three-bedroom units. Each unit will include Energy-Star appliances with laundry and will feature a high quality of design and finishes. Community amenities include a fitness area, community room, wifi lounge, private offices for property management, and an outdoor gathering space. The project would include 161 surface parking stalls. One of the other highlighted attributes of this project is the location and being close to the Streamline bus routes. The site is within walking distance (.7 miles) to the MSU SUB (Strand Union Building) hub. Both the Gold and Blue line routes have transit stops at this location. They run every thirty minutes during the weekday. In addition, the site is within a mile of Southside Park, City Pk 2, and Gran Cielo Park. The project will activate the streetscape along West Kagy Blvd. which the city really wants to achieve in its connection with the University to the east. For residents with an automobile, the proposal provides off-street parking in a surface parking lot. The proposal seeks to promote its location to public transportation and bicycle infrastructure by providing secure, indoor bicycle parking. These will allow residents access to major employment centers.

The project site within census tract 30031001101, where the median household income was \$116,300 in 2025 according to the 2025 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income. This project will be affordable at household incomes ranging from \$49,980 per year to \$82,860 per year and is well positioned to provide much needed affordable housing options for working families.

---

**Reuter Walton Development**  
4450 Excelsior Boulevard, Suite 400  
St. Louis Park, MN 55416  
(612) 823-3489

<b>City</b>	<b>Bozeman</b>
<b>County</b>	<b>Gallatin</b>
<b>Project Name</b>	<b>Woodward Flats</b>
<b>HC Requested</b>	27,533,350

<b><u>Unit Numbers</u></b>	<b><u>Target</u></b>	
1-bdrm	60%	57
2-bdrm	60%	59
3-bdrm	60%	44
Total Units		160
Average Income Targeting		60.00%

<b><u>Square Footage</u></b>	
Income Restricted Units	148,463
Managers Unit(s)	-
Supportive Services	-
Common Space	34,741
Market/Commercial	-
Total	183,204

<b><u>Unit Rents</u></b>		
1-bdrm	60%	1,263
2-bdrm	60%	1,500
3-bdrm	60%	1,713
Total Monthly Rents		235,893
vacancy factor		5.00%
Adjusted Rent		224,098
other/commercial income		4,407
total rent		228,505
x 12 months		12
Total Annual Income		2,742,057

**Expenses**

Administration	57,257
Management	82,262
Maintenance	175,864
Operating	322,652
Taxes	-
Replacement Reserve	56,000
Total Expenses	<u>694,035</u>
Net Income Before Debt Service	2,048,023

**Financing Sources**

Hard Loan	27,393,000
Hard Loan	2,000,000
Soft Loan	100
Soft Loan	-
State HOME	-
State CDBG	-
State NHTF	-
Other	2,000,000
Other	1,168,026
Other	2,500,000
Other	825,000
Deferred Dev Fee	5,442,442
HC Equity Competitive	-
HC Equity Non-Competitive	<u>22,299,783</u>
Total Sources:	63,628,351
% of Project Financed by HC:	35.05%

**Return on Sale of HTC**

HTC Requested	27,533,350
HTC Equity	22,299,783
HTC Return on Sale	0.810

**Ratios**

Rent (Income)	2,742,057
Operating Expenses	638,035
Replacement Reserves	56,000
Net Income Available for DS	2,048,023
Total Debt Service	\$1,784,829
Debt Coverage Ratio (DCR)	1.15
Total Expense Ratio	1.11

**Project Costs**

Land	7,250,000
Building/Acquisition	-
Site Work	-
Construction / Rehab	37,533,750
Soft Costs	10,676,862
Developer Fees	7,423,000
Reserves	744,739
Total Project Costs	63,628,351
Supportive Services Costs	-
Residential Costs	63,628,351

### **Costs versus Sources**

Total Project Costs	63,628,351
Total Financing Sources	<u>63,628,351</u>
Difference	-

### **Project Cost Limitations**

	<b><u>Limits</u></b>	
General Requirements	6.00%	0.00%
Contractor Overhead	2.00%	0.00%
Contractor Profit	6.00%	0.00%
Developer Fees	15.00%	15.40%
Soft Cost	40 or 45%	48.22%

### **Per Unit Comparison**

	<b><u>Limits</u></b>	
Cost per unit total	n/a	393,023
Cost per unit residential only	\$395,000	393,023
Cost per unit Const / Rehab	n/a	234,586
Credits per unit	n/a	172,083
Operating Cost per unit	\$3,000 min	3,988
Replacement Reserves	\$350 min	350

### **Per Square Foot Comparison**

Construction / Rehab per sq ft	204.87
Total Project Cost per sq ft	347.31
Credits per sq ft	150.29
Credits per sq ft (residential only)	185.46

**Utilities Paid by (Tenant / Owner)** Tenant

April 13, 2026

Mr. Jason Hanson

*Multi-Family Program Manager*

**Montana Board of Housing**

P.O. Box 200528

Helena, MT 59620-2840

**RE: Saddlehorn Apartments  
GO Housing Montana Fund Application**

Dear Mr. Hanson:

Enclosed you will find the **Saddlehorn Apartments** GO Housing-HMF loan pre-application. As Saddlehorn Apartments has already been successful in receiving an award of tax credits, the development team is providing an updated Narrative and Proforma explaining the need for the loan proceeds and how the GO Housing-HMF funds will provide the financial resources necessary to construct Saddlehorn Apartments. By way of background, Saddlehorn Apartments is a new construction of two, two-story buildings that will house a total of 30 affordable apartment units targeted to families in the Miles City community.

CR Builders, LLC is pleased to be partnering with Hearthstone Group in bringing this development to fruition. Led by Eric Peterson and a devoted Board of Directors, this 501(c)(3) organization is mission-driven to develop and foster affordable housing.

The **Saddlehorn Apartments** development was successful in receiving an award of 2026 Tax Credits, as well as HOME and HTF Funds in the amounts of \$863,000 and \$1,150,000, respectively. With respect to permanent financing, CRB received \$500,000 from the Montana Healthcare Foundation and a *Letter of Interest* from NeighborWorks Montana for Capital Magnet Funds. However, in speaking recently with NeighborWorks

Montana, they advised the development team the Capital Magnet Funds are not yet available, and the timeline of their availability remains unknown and uncertain at this time. As such, in order to establish a more reliable source of permanent debt funding, the development team is seeking \$1,450,000 in GO Housing-HMF to keep this project on track and on schedule.

Noted above, the developers have worked with the Montana Board of Housing (LIHTC), the Montana Department of Commerce (HOME/HTF), the Montana Healthcare Foundation, NeighborWorks Montana, and other lending institutions to find the most favorable financing available to help keep the rent levels as low as possible for the community of Miles City. The development team also sought multiple equity financing proposals to maximize the value of the tax credits, with all producing good results.

The GO Housing-HMF loan is not replacing existing financing. Although the team had originally planned to execute a permanent loan commitment with NeighborWorks Montana, it has since become clear their anticipated Capital Magnet Funds are currently unavailable. Furthermore, the GO Housing-HMF fund is unparalleled in the private market, offering very favorable terms and a significant benefit to the financing structure.

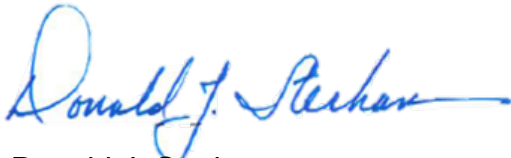
At present, Saddlehorn Apartments has received multiple construction bids that align with the underwritten budget, and the equity proposals received do indeed provide sufficient capital to move forward with the project. Should the developers be successful in attaining the Go Housing-HMF financing commitment, the project will be able to proceed ahead and provide the first instance of LIHTC housing for Miles City in 20 years.

There is no question the need for affordable housing in Miles City is well documented. The market study indicates a low vacancy rate for the community and the comparable LIHTC properties ranged from 0.0 to 5.3% vacancy (pg. 62). While the rental market within Miles City is stable, there is a lack of affordable housing within the area, a circumstance that is a serious constraint to economic growth and opportunity. In short, given local demographics and market study indicators, there is a clear need for an

increase in the supply of multifamily affordable housing in Miles City. Finally, Miles City serves as the regional hub of Eastern Montana. Many rural communities rely on the services and commercial offerings of Miles City and this is evidenced by the letters of support from community members and stakeholders, as well as the Comprehensive Economic Development Strategy commissioned by Southeastern Montana Development Corporation (SEMDC).

Sincerely,

**CR Builders, LLC**

A handwritten signature in blue ink that reads "Donald J. Sterhan". The signature is fluid and cursive, with a long horizontal stroke at the end.

Donald J. Sterhan

*President & CEO*

<b>City</b>	<b>Miles City, MT</b>
<b>County</b>	<b>Custer</b>
<b>Project Name</b>	<b>Saddlehorn</b>
<b>HC Requested</b>	8,500,000

<b><u>Unit Numbers</u></b>	<b><u>Target</u></b>	
1-bdrm	30%	3
1-bdrm	50% (Low HM)	2
1-bdrm	50%	3
1-bdrm	60%	4
2-bdrm	30%	2
2-bdrm	50% (Low HM)	2
2-bdrm	50%	6
2-bdrm	60%	2
3-bdrm	30%	2
3-bdrm	50% (Low HM)	1
3-bdrm	50%	2
3-bdrm	60%	1
Total Units		30
Average Income Targeting		47.67%

<b><u>Square Footage</u></b>	
Income Restricted Units	27,699
Managers Unit(s)	-
Supportive Services	-
Common Space	3,327
Market/Commercial	-
Total	<b>31,026</b>

**Unit Rents**

1-bdrm	30%	465
1-bdrm	50% (Low HM)	740
1-bdrm	50%	775
1-bdrm	60%	910
2-bdrm	30%	530
2-bdrm	50% (Low HM)	860
2-bdrm	50%	925
2-bdrm	60%	1,000
3-bdrm	30%	635
3-bdrm	50% (Low HM)	975
3-bdrm	50%	1,000
3-bdrm	60%	1,175
Total Monthly Rents		24,590
vacancy factor		7.00%
Adjusted Rent		22,869
other/commercial income		146
total rent		23,015
x 12 months		12
Total Annual Income		276,174

**Expenses**

Administration	15,910
Management	16,465
Maintenance	47,520
Operating	85,010
Taxes	800
Replacement Reserve	10,500
Total Expenses	176,205
Net Income Before Debt Service	99,969

### **Financing Sources**

Hard Loan	500,000
Hard Loan	1,450,000
Soft Loan	-
Soft Loan	-
State HOME	863,000
State CDBG	-
State NHTF	1,150,000
Other	-
Other	-
Other	-
Other	-
Deferred Dev Fee	252,904
HC Equity Competitive	6,459,354
HC Equity Non-Competitive	-
Total Sources:	<hr/> 10,675,258
% of Project Financed by HC:	60.51%

### **Return on Sale of HTC**

HTC Requested	8,500,000
HTC Equity	6,459,354
HTC Return on Sale	0.760

### **Ratios**

Rent (Income)	276,174
Operating Expenses	165,705
Replacement Reserves	10,500
Net Income Available for DS	99,969
Total Debt Service	\$82,992
Debt Coverage Ratio (DCR)	1.20
Total Expense Ratio	1.07

### **Project Costs**

Land	500,000
Building/Acquisition	-
Site Work	1,084,816
Construction / Rehab	6,552,843
Soft Costs	1,408,000
Developer Fees	1,000,000
Reserves	129,599
Total Project Costs	10,675,258
Supportive Services Costs	-
Residential Costs	10,675,258

### **Costs versus Sources**

Total Project Costs	10,675,258
Total Financing Sources	10,675,258
Difference	-

### **Project Cost Limitations**

	<b><u>Limits</u></b>	
General Requirements	6.00%	5.90%
Contractor Overhead	2.00%	1.91%
Contractor Profit	6.00%	4.71%
Developer Fees	15.00%	11.06%
Soft Cost	40 or 45%	28.99%

**Per Unit Comparison**

	<b><u>Limits</u></b>	
Cost per unit total	n/a	355,842
Cost per unit residential only	\$395,000	355,842
Cost per unit Const / Rehab	n/a	254,589
Credits per unit	n/a	283,333
Operating Cost per unit	\$3,000 min	5,524
Replacement Reserves	\$350 min	350

**Per Square Foot Comparison**

Construction / Rehab per sq ft	211.20
Total Project Cost per sq ft	344.07
Credits per sq ft	273.96
Credits per sq ft (residential only)	306.87

**Utilities Paid by (Tenant / Owner)**

Tenant and Owner

**From:** [noreply-MTCommerce@formstack.com](mailto:noreply-MTCommerce@formstack.com)

**Date:** July 30, 2025 at 4:18:08 PM MDT

**To:** [careyaswenson@gmail.com](mailto:careyaswenson@gmail.com)

**Subject:** Commerce Contact Form

**Reply-To:** [noreply-MTCommerce@formstack.com](mailto:noreply-MTCommerce@formstack.com)

Thank you for contacting us. Your message was received successfully.

We will attempt to address your question or comment as quickly as possible. Our normal hours of operation are 8 a.m. to 5 p.m., Monday through Friday.

If you do not receive a response to your request below within a reasonable time frame, please contact us at 406-841-2700.

**Name:** Carey Swenson

**Email:** [careyaswenson@gmail.com](mailto:careyaswenson@gmail.com)

**Phone:** (406) 951-1799

**Organization:** None

**Subject:** Low income housing purposal Miles City

**Message:** I went to the public meeting on the Saddlehorn apartments proposal in miles city Montana. Just wanted to say it was very well. Presented very professional and there is a definite need in eastern Montana for this type of housing. Please consider strongly supporting this proposal. Thank you for your time.

**Carey Swenson**

*President & CEO*  
**CR Builders, LLC**  
2101 Overland Avenue  
Billings, MT 59102  
406-254-1677 Office  
406-869-8693 Fax  
[dsterhan@cr-builders.com](mailto:dsterhan@cr-builders.com)  
[www.cr-builders.com](http://www.cr-builders.com)

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**From:** Benjamin Uhlich <[Benjamin.Uhlich@imail.org](mailto:Benjamin.Uhlich@imail.org)>  
**Sent:** Sunday, May 4, 2025 7:35 AM  
**To:** Don Sterhan <[dsterhan@cr-builders.com](mailto:dsterhan@cr-builders.com)>  
**Subject:** Re: Affordable Housing project proposed in Miles City

Good morning,

Attn:  
Mr. Jason Hanson  
Multi-Family Program Director  
Montana Board of Housing

Dear Mr. Hanson,

I am writing in support of the Saddlehorn Apartments proposal submitted by CR Builders, LLC for the development of a 28-unit housing project in Miles City.

Miles City is a vibrant and growing community that has not received an award of Low-Income Housing Tax Credits (LIHTC) since 2006, despite a significant need for additional multifamily housing. Currently, the city has only two affordable multifamily housing projects, totaling 53 units. However, a recent market study indicates that 149 units are needed to meet local demand. The Saddlehorn Apartments will help address this shortage by adding 28 affordable units to the area. Presently, there are 451 households eligible to rent an affordable apartment in the primary market area. This LIHTC project is expected to appeal to residents employed in the retail, service, and healthcare industries.

As a member of the Miles City Area Economic Development Council and President/CNO of Holy Rosary Hospital, I have been actively involved in discussions and assessments regarding housing needs and their impact on the local economy and workforce. Community feedback

from recent surveys highlighted affordable housing and housing safety as top concerns. The lack of available housing has directly affected our

ability to recruit highly skilled hospital personnel, which in turn impacts the continuity of care we can provide.

A recent survey conducted by Great West Engineering for Custer County (January 16 – March 17, 2025) revealed the following insights from local employers:

- 43% reported that their ability to recruit and retain qualified employees has worsened over the past five years.
- 83% cited affordability as a major concern.
- 48% had employees refuse job offers or leave employment due to a lack of suitable housing.
- 62% indicated that employees or potential hires have difficulty finding housing.
- 45% identified the availability of affordable workforce housing as a serious problem; 38% called it a moderate problem.
- 60% said the quality of affordable workforce housing is a serious problem; 25% called it a moderate problem.

The Saddlehorn Apartments project proposes a new multifamily housing campus with 28 rental units, all priced affordably. It is designed to serve families earning at or below 60% of the Area Median Income (AMI). According to the survey, at least 40% of respondents earn less than the national median household income of \$63,585 and Miles City's median of \$60,732.

Housing is essential to the growth and sustainability of any community. It plays a critical role in attracting and retaining a workforce that contributes meaningfully to the local economy. This project directly addresses the top concerns voiced in the survey, including:

- The need for accessible housing—not just for seniors
- A rental market and housing prices disproportionate to wages
- A clear need for more low-income housing options

I strongly support the Saddlehorn Apartments proposal and urge the Montana Board of Housing to consider this much-needed development for Miles City.

Sincerely,

Benjamin Uhlich  
President/CNO, Holy Rosary Hospital  
Member, Miles City Area Economic Development Council

Thank you  
Benjamin

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**Benjamin A Uhlich, RN, BSN, MBA**

President - Chief Nursing Officer Holy Rosary Hospital

Intermountain Health, Peaks Region

2600 Wilson Street, Miles City MT 59301

P: 406.233.2622 | C: 605.212.1201

[benjamin.uhlich@imail.org](mailto:benjamin.uhlich@imail.org)

**Bridgette E. Gibbs**

Executive Assistant

Intermountain Health, Holy Rosary Hospital

2600 Wilson Street, Miles City, MT 59301

P: 406.233.2602



“Never tell people how to do things. Tell them what to do and they will surprise you with their ingenuity.” – General George S. Patton

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**From:** Don Sterhan <[dsterhan@cr-builders.com](mailto:dsterhan@cr-builders.com)>

**Sent:** Friday, May 2, 2025 5:30 PM

**To:** Benjamin Uhlich <[Benjamin.Uhlich@imail.org](mailto:Benjamin.Uhlich@imail.org)>; Jackie Muri <[Jackie.Muri@sclhealth.org](mailto:Jackie.Muri@sclhealth.org)>



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# CITY OF MILES CITY

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17 S. 8th, P.O. Box 910  
Miles City, MT 59301-0910

Telephone: 406-234-3462  
Fax: 406-234-2903

July 15<sup>th</sup>, 2025

Mr. Jason Hanson  
Multi-Family Program Director  
MT Board of Housing  
PO Box 200528

Dear Mr. Jason Hanson,

The proposed apartment complex is a much needed and special opportunity for Miles City and our population especially those with limited resources.

Increase in living quarters available to the public with limited income is a significant improvement for the citizens of Miles City.

In addition, the property tax increase will provide additional monetary resources to the City of Miles City.

In conclusion as Mayor of Miles City, I support this project in concept and am hopeful it will become a reality.

Respectfully,

A handwritten signature in blue ink that reads "Dwayne Andrews". The signature is written in a cursive, flowing style.

Mayor Dwayne Andrews  
PO Box 910  
Miles City, MT 59301

CC: CR Builders c/o Don Sterhan  
2101 Overland Ave  
Billings, MT 59102

# Stockman Bank

700 Main Street • 800 S Haynes Ave • PO Box 250 • Miles City, Montana 59301-0250  
406.234.8420 FAX 406.234.8419

Mr. Jason Hanson  
Multi-Family Program Director  
**Montana Board of Housing**  
P.O. Box 200528  
Helena, MT 59620

Dear Mr. Hanson,

On behalf of Stockman Bank, I am writing to express our support of the proposed affordable housing community known as Saddlehorn Apartments. As a financial institution that was founded on the philosophy that everyone in the community should be served, and with deep roots in rural communities across the state of Montana, we understand the essential role that accessible and affordable housing plays in supporting economic growth in communities like Miles City.

The need for affordable housing in Miles City and the surrounding region has become increasingly evident. Many hardworking individuals and families are struggling to find safe, quality housing within their means. The current housing affects the local businesses, schools, and healthcare providers who depend on a stable workforce and population.

This development creates thoughtfully planned, income-based housing units that will provide long-term benefits for our residents. This represents more than construction -it is an investment in the future of Miles City and its residents. Quality affordable housing supports economic development, encourages workforce retention, and improves the overall quality of life for the residents of Miles City.

We strongly encourage all decision-makers to move forward with this project and look forward to witnessing the positive impact it will have on Miles City for years to come.

Respectfully,



Mitch Grove  
President- Miles City Market  
Stockman Bank

CC: Don Sterhan – CR Builders, LLC



Member FDIC



RECEIVED

JUL 28 2025

# Custer County



**From the office of**  
**MONTANA BOARD OF HOUSING**      **BOARD OF COUNTY COMMISSIONERS**

Chair, Jason Strouf 406.874.3352 • Jeff Faycosh 406.874.3350 • Kevin Krausz 406.874.3351  
1010 Main Street, Suite 22 MILES CITY, MONTANA 59301

July 21, 2025

Mr. Jason Hanson  
Multi-Family Program Director  
Montana Board of Housing  
PO Box 200528  
Helena, MT 59620-2840

Ref: Saddlehorn Apartments

Dear Mr. Hanson;

Custer County including Miles City is in need of affordable to multi-family housing to meet the needs of our growing community. The Saddlehorn Apartment proposal to construct a new multi-family housing campus consisting of 30-rental units-all at an affordable price. This project is designed to serve families with income levels at or below 60% of Area Median Income (AMI).

We are well aware that Miles City has not received an award of low-income housing tax credits (LIHTC) since 2006. A recent housing study for the community shows a need of 149 units to meet this demand, with 451 households eligible (below 60% AMI). The 30 units are a great first step to meeting the housing needs in Miles City.

The location chosen for the Saddlehorn Apartment proposal is in a perfect location in the community with pharmacies, medical providers, grocery stores, schools and restaurants within walking distance.

We would appreciate the support from the Montana Board of Housing for the assignment of low-income tax credits for the Saddlehorn Apartment proposal.

Sincerely,

Jason Strouf, Chairman  
Custer County Commissioners

Absent & Excused  
Kevin Krausz

Jeff Faycosh

# MILES CITY HOUSING AUTHORITY

• 310 N. Jordan • Miles City, MT 59301

email: [milescityhousingauthority@outlook.com](mailto:milescityhousingauthority@outlook.com)

**RECEIVED**

**JUL 29 2025**

**MONTANA BOARD OF  
HOUSING**

July 24, 2025

Mr. Jason Hanson  
Multi-Family Program Director  
Montana Board of Housing  
P.O. Box 200528  
Helena, MT 59620-2840

RE: Letter of Support for Tax Credit Project 'Saddlehorn Apartments, Miles City

Dear Mr. Hanson:

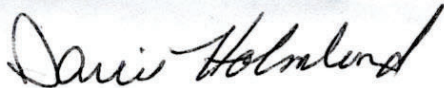
In Miles City there is a lack of construction for low-income apartment units. The Saddlehorn project may be a solution to help with some of that need. It will also encourage economic growth for Miles City in supplying needed affordable housing units.

There are three tax credit projects in Miles City with The Cornerstone the last funded tax credit project in 2006. We hope that if the Saddlehorn Apartments project is funded, it will enhance the other three projects.

Thank you for your consideration of this tax credit application.

Sincerely,

The Board of the Miles City Housing Authority



Darcy Holmlund, President

Cc: CR Builders LLC,  
Attn: Don Sterhan  
2101 Overland Ave.  
Billings, MT 59101



## GO Housing HMF Loan Narrative

Dear Board of Housing:

We respectfully submit this application narrative for Franklin Crossing (the Project), a 192-home affordable housing apartment complex serving as the driver of 25-35 for sale townhomes to be built in Missoula, Montana.

Name:	Franklin Crossing
City & County:	Missoula, Missoula
Developer/General Partner:	United Housing Partners/Missoula Housing Authority
Project Type:	Family
Set-aside:	Non-Profit

### **Project Description:**

United Housing Partners LLC (UHP) and the Missoula Housing Authority (MHA) propose to develop Franklin Crossing, a mixed-use redevelopment on City-owned property known as the North MRL Triangle in Missoula, Montana.

The Project is a creative public-private partnership between UHP, MHA, and the City of Missoula (the City) to meet the City-led redevelopment vision for the MRL Triangle, a long-vacant site that has been prioritized for residential community benefit. Franklin Crossing will include both deed restricted rental housing and naturally affordable for-sale townhomes, supported by strong open-space connections including the Bitterroot Bike Trail and MRL Park, that integrate the Project into Midtown Missoula and Franklin to the Fort neighborhood and Southgate Mall. It would be hard to find a more strategically located location for affordable housing in Missoula. The Project shall include approximately 192 apartments, across multiple five story buildings and serve as the financial driver for the development of 30 or more market rate townhomes.

The Project is a twinned 9% and 4% Low Income Housing Tax Credits (LIHTC) project that will serve a wide range of residents and income levels from 30% to 70% AMI. UHP has significant experience twinning 9% and 4% tax credits, having recently closed Hidden Creek, a similarly structured project in Bozeman, which also involved donated land from Gallatin County. The City performed extensive community engagement in planning the redevelopment of MRL Triangle and received support for affordable rental and for sale housing. The development team used this feedback in modeling a financially feasible project that met these plans, has site control, and has spent significant time and

resources on the design and entitlement and close collaboration with the City. The following table shows the unit mix across the twinned 9% and 4% projects:

Project & Unit Mix Summary							
	Bedrooms	Baths	Sqft	50% Units	60% Units	70% units	Total Units
9% Project	1 Bedroom	1	632	20	8	0	28
9% Project	2 Bedroom	2	900	0	0	0	0
9% Project	3 Bedroom	2	1,113	0	0	0	0
<b>TOTAL 9% Project</b>		<b>28</b>	<b>17690</b>	<b>20</b>	<b>8</b>	<b>0</b>	<b>28</b>

	Bedrooms	Baths	Sqft	30% Units	60% Units	70% units	Total Units
4% Project	1 Bedroom	1	632	20	0	24	44
4% Project	2 Bedroom	2	900	21	1	66	88
4% Project	3 Bedroom	2	1,113	0	0	32	32
4% Project	4 Bedroom	2	1,436	0	0	0	0
<b>TOTAL 4% Project</b>		<b>284</b>	<b>142,615</b>	<b>41</b>	<b>1</b>	<b>122</b>	<b>164</b>

<b>TOTAL All Buildings</b>		<b>312</b>	<b>160306</b>	<b>61</b>	<b>9</b>	<b>122</b>	<b>192</b>
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## Financing Plan

The Project requires significant public and soft funding sources including donated land, Missoula Redevelopment Agency funds, a significant contribution from MHA, and State of Montana financing through National Housing Trust Funds and a GO Housing Loan. The City of Missoula is not only donating the land (a \$1.7mm value) has also committed \$9.7mm in direct funding and MHA has committed \$2mm to the project. The Project hopes to incorporate Project Based Vouchers (PBVs), but even should these be awarded, in order to raise enough debt to support the 30% AMI dwellings and meet the permanent affordability goals, the development team requires a full \$5,000,000 allocation from the state's \$22,000,000 GO Housing-HMF set aside. Thanks to MHA's role in the Project there will be no property taxes for the property. This is crucial as paying property taxes would create an additional gap in the capital stack.

A twinned 9% and 4% LIHTC structure is still required to meet the City's ambitious goals. This structure allows the Board to leverage a single 9% award into 192 permanently affordable homes. Franklin Crossing hopes to include up to 41 apartments reserved for 30% AMI residents and will have the longest term of affordability possible...permanent. Still, a project this ambitious requires significant gap funding, and is contingent on both a 9% LIHTC award and a Go Housing Loan.

## Anticipated Amenities

Franklin Crossing will include in unit washer and dryer hookups, a leasing office, community room, and fitness center. The Project's location immediately adjacent to MRL Park and the Bitterroot Trail provides residents with immediate access to community gardens, a large City park, and a regional 50-mile multi-use trail network, supporting active transportation, recreation, and wellness. The site plan

incorporates strong pedestrian connections to Midtown and the surrounding neighborhoods, medical facilities, nearby employment centers, retail services, and transit routes, including proximity to Southgate Mall and Brooks and Reserve commercial corridors.

**Justification for Need:**

Missoula continues to experience a significant and well-documented shortage of affordable housing across all income levels and is currently at 6.1% vacancy and needs 6,480 affordable homes. This approach is directly supported by the April 9, 2026 market study data, with approximately 1,576 family renter households across income-restricted levels, including an estimated need for 378 three-bedroom units, reflecting continued demand for larger family-sized affordable housing. Consistent with national and local trends, the market study shows particularly strong demand for one- and two-bedroom affordable units.

By leveraging City donated land, MRA's \$9.7mm investment, MHA's \$2mm loan, and state and federal housing resources, Franklin Crossing delivers a community led project focusing on the Board's highest priorities.

Sincerely,



Tyson O'Connell

Member of United Housing Partners LLC

**Project Name**

Franklin Crossing
\$ 20,723,430

**HC Requested (10 yr total)**

**Unit Numbers**

**Target**

1-bdrm 30%  
 1-bdrm 70%  
 2-bdrm 30%  
 2-bdrm 60%  
 2-bdrm 70%  
 3-bdrm 70%

20
24
21
1
66
32

Total Units

164

Average Income Targeting

**Square Footage**

Income Restricted Units

142,615
-
-
18,433
-

Managers Unit(s)

Supportive Services

Common Space

Market/Commercial

Total

161,048

**Unit Rents**

1-bdrm 30%  
 1-bdrm 70%  
 2-bdrm 30%  
 2-bdrm 60%  
 2-bdrm 70%  
 3-bdrm 70%

554
1,293
664
1,329
1,550
1,792

**Project Costs**

Land	1,454,639
Building/Acquisition	204,656
Site Work	2,257,155
Construction / Rehab	38,837,325
Soft Costs	6,131,312
Developer Fees	7,163,728
Reserves	1,146,339
Total Project Costs	\$ 57,195,154
Supportive Services Costs	
Residential Costs	\$ 57,195,154

**Financing Sources**

Hard Loan	12,290,705
Hard Loan: Go Housing	5,000,000
Hard Loan: Missoula Impact Fund	2,000,000
Soft Loan: City of Missoula	7,800,000
State HOME	
State CDBG	
State NHTF	2,400,000
Soft Loan: City of Missoula	1,900,000
Senior Note Missoula Housing Authority	1,452,083
Soft Loan: Missoula Housing Authority	2,000,000
Soft Loan	2,676,853
Deferred Dev Fee	3,374,795
HC Equity Competitive	
HC Equity Non-Competative	16,300,718
Total Sources:	\$ 57,195,154
% of Project Financed by HC:	28.50%

**Costs versus Sources**

Total Project Costs	\$	57,195,154
Total Financing Sources	\$	<u>57,195,154</u>
Difference	\$	-

**Comparative Data for Presentation to the Board**

(additional data may be provided at staff discretion)

**Return on Sale of HTC**

HTC Requested	\$	20,723,430
HTC Equity	\$	16,300,718
HTC Return on Sale		0.79

**Per Unit Comparison**

	<b><u>Limits</u></b>		
Cost per unit total	n/a	\$	348,751
Cost per unit residential only	\$395,000	\$	348,751
Cost per unit Const / Rehab	n/a	\$	250,576
Credits per unit	n/a	\$	126,362

**Per Square Foot Comparison**

Construction / Rehab per sq ft	\$	255
Total Project Cost per sq ft	\$	355
Credits per sq ft	\$	129
Credits per sq ft (residential only)	\$	129

**Utilities Paid by (Tenant / Owner)**

Tenant
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Date: April 13, 2026  
To: Montana Board of Housing  
From: Sapphire Lutheran Homes  
RE: Narrative for Canyon View - Go Fund Loan & 4% Inducement Resolution Request

## **Introduction**

Sapphire Lutheran Homes, Inc. respectfully submits this Checklist Threshold 4% Pre-application for an allocation of 4% Low-Income Housing Tax Credits and GO Fund Loan to preserve Canyon View Apartments, a 24-unit senior housing development in Hamilton, MT.

Sapphire Lutheran Homes is an experienced organization with current experience utilizing 4% Housing Credits and favorable financing to rehab The Manor, a 60-unit senior complex in Hamilton. This project received an allocation of 4% housing credits in 2024 and we are planning a grand re-opening in spring 2026.

## **Project Description**

Canyon View's 24 apartments serves Hamilton's senior (55+) and disabled community with 20 one-bedroom and 4 two-bedroom apartments. 21 of the 24 units currently benefit from project-based rental assistance coupled with the USDA RD 515 loan. Through the USDA RD transfer and assumption process, we intend to preserve that existing rental assistance and secure additional project-based budget authority so that all 24 units will benefit from rental assistance.

The proposed rehabilitation will preserve this important housing resource and ensure that it continues to provide quality, affordable housing in the Bitterroot Valley for decades to come. Certain improvements, including the addition of a fire suppression system, are critical life-safety upgrades. Other improvements will enhance the quality of the property, improve resident comfort, and help maintain the projects long-term competitiveness and viability.

We are starting to see the glut of new construction in Montana's urban areas create adverse market conditions that are acutely felt by older affordable housing projects. Investing in rehabilitating older, rural affordable housing projects will ensure they continue to compete in the marketplace and ensure Montana's housing stock is geographically diversified rather than too concentrated in urban centers.

### **Project Coordination & Necessary Funding**

Canyon View Apartments is part of the Sapphire Lutheran Homes campus, which includes a nearly complete 60-unit project called The Manor (*funded with 4% LIHTC / HOME / HTF / CDBG / HUD PBS8*), an assisted living facility and independent living for seniors.

Canyon View will coordinate state and federal resources and programs through the RD 515 loan transfer and assumption process (preserving the existing 21 units of rental assistance and adding 3 additional units of rental assistance), leveraging the state's excess bond cap with a request for 4% housing credits, and a small allocation of the Go Fund loan. Seeking 4% housing credits will allow the Board of Housing to fund other, worthy projects with the limited 9% Housing Credit resource. The use of the Go Fund loan is necessary due to its favorable terms, including statute permitting non-profits to seek property tax relief. The housing credits and Go Fund loan leverage a substantial seller note Sapphire Lutheran Homes will extend, and there is no other existing or available funding for this project.

As a non-profit with a volunteer Board of Directors, Sapphire Lutheran Homes understands every cent is precious and Montana Board of Housing's resources are insufficient to meet the state's housing needs. All of Montana's affordable housing financing is stretched thin. 9% Housing Credits and favorable financing such as the HOME and HTF programs have been oversubscribed for many years. Now Montana is likely to hit its bond cap in the next couple years and the new GO Fund loan program will receive requests that far exceed available resources.

Canyon View maximizes federal resources, non-competitive financing and our own seller note such that only one source of competitive state financing, a \$2.25 million GO Fund allocation, is necessary to recapitalize and rehabilitate Canyon View Apartments.

Sapphire Lutheran Homes is willing to take back a Seller Note in amount of 93% of the anticipated \$3.12 million sale price, this is the maximum amount we've been advised tax counsel will allow. The Seller Note will be structured as a cash flow note with repayment subject only to available cash flow after operating expenses and debt service, however, there is no expectation of repayment by Sapphire Lutheran Homes. This Seller Note is critical because it reduces the need for competitive financing to one small loan – no HOME or HTF, no 9% Housing Credits, and no other state resources are needed because Seller Note structure allows the project to generate more annual tax credits, and therefore more equity capital.

### **Public Benefit**

The public benefits of this transaction are substantial. The project will preserve 21 units of project-based rental assistance and the add 3 more rent-assisted units through the 515 loan transfer and assumption, upgraded physical facilities including but not limited to life-safety (*fire suppression and security upgrades*), ADA, major systems upgrades, and a project with a renewed life able to serve Hamilton's low-income seniors for the next 50 years.

Investing in the preservation of Montana's rural housing stock is critical for our small communities; Canyon View will enable Hamilton's seniors to continue to reside in their own communities rather than being forced to move to larger urban centers. This is important for two main reasons.

First, it keeps our seniors in their community and surrounded by their family and friends, and second, it reduces the pressures on the housing markets in our larger communities. This is more important now that Montana's urban centers will soon see the significant build-up of market rate and affordable developments' impact on the market.

Canyon View's capital stack – particularly the seller note and the use of noncompetitive 4% credits in a small, rural market facilitates other projects elsewhere in Montana. The project's overall need for favorable financing is limited to one small loan from one program. This enables Montana Housing and the Board of Housing to fund more projects across Montana.

### **Improvements/Amenities**

Built 35 years ago, this property is in need of critical life-safety, major system and quality of life upgrades that will ensure continues to serve the Hamilton community for the next 50 years. This preservation project is critical to addressing certain physical deficiencies and make upgrades such as adding a fire suppression system, energy efficiency, HVAC, and other improvements that will improve resident's quality of life.

## **Financing**

Several factors make it possible to preserve Canyon View using 4% Housing Credits rather than requesting an allocation of scarce 9% Housing Credits for a small rehabilitation project. Most importantly, Hamilton has been designated by HUD as a Difficult Development Area (DDA), allowing the project to benefit from a 130% basis boost. The additional equity generated by this basis boost, combined with a modest GO Fund loan and Sapphire Lutherans Homes reinvestment through a \$2.9 million seller not makes the project financially viable.

Time is of the essence. Without the DDA designation and favorable financing, Canyon View would not be feasible as a 4% Housing Credit transaction.

Preliminary conversations with our syndicator of choice indicate they can pay \$0.85 per credit. With the 130% basis boost, this provides \$2,974,703 in tax credit equity (*without the boost this equity contribution would be approximately \$427,000 less*).

Currently, the USDA RD 515 loan has an outstanding balance of \$635,000 and the outstanding balance at the time of closing will be amortized over a 50 year period at a 1% interest rate. The \$2.9 million seller note committed by Sapphire Lutheran Homes will be used as gap financing and drive investor yield – resulting in the high credit price. Lastly, the project depends on a \$2.25 million Go Fund loan with a 3.25% interest rate amortized over 40 years. The MBOH bond issued in conjunction with an allocation of 4% housing credits will be used as construction financing.

Proposed funding sources include:

- \$2,250,000 GO Fund loan
- \$635,000 USDA RD 515 loan
- \$38,982 RD Reserve transfer

- \$3,041,696 4% LIHTC equity
- \$2,900,000 Seller Note
- \$345,853 Deferred developer fee and general partner contribution

## **Closing**

Canyon View Apartments is a needed and thoughtful response to Montana's rural housing needs. It builds on an established local partnership, leverages seller and federal financing, and a service-rich location. Most importantly, it will provide older adults in Hamilton with affordable homes designed for independence, dignity, and community while alleviating pressure on Montana's urban housing markets.

Sapphire Lutheran Homes' mission is to create vibrant communities where residents live engaged, purposeful lives in a compassionate environment dedicated to dignity and vitality throughout life. We thank you and your staff for your consideration of this worthy project. Please do not hesitate to contact me at (406) 363-2800 or [charden@stjohnsunited.org](mailto:charden@stjohnsunited.org).

Sincerely,

Cole Harden, Executive Director

Sapphire Lutheran Homes

**Project Name**

Canyon View

**HC Requested (10 yr total)**

\$ 3,600,000

**Unit Numbers****Target**

1-bdrm	50%	14
1-bdrm	60%	3
1-bdrm	80%	3
2-bdrm	80%	4
Total Units		24
Average Income Targeting		60.00%

**Square Footage**

Income Restricted Units	15,400
Managers Unit(s)	-
Supportive Services	-
Common Space	2,000
Market/Commercial	-
Total	17,400

**Unit Rents**

1-bdrm	50%	1,100
1-bdrm	60%	1,100
1-bdrm	80%	1,100
2-bdrm	80%	1,200

**Project Costs**

Land	56,680
Building/Acquisition	3,063,320
Site Work	100,000
Construction / Rehab	2,784,900
Soft Costs	1,801,550
Developer Fees	1,160,000
Reserves	245,081
Total Project Costs	\$ 9,211,531
Supportive Services Costs	\$ -
Residential Costs	\$ 9,211,531

**Financing Sources**

Hard Loan	2,250,000
Hard Loan	635,000
Soft Loan	
Soft Loan	
State HOME	
State CDBG	
State NHTF	
Other	2,900,000
Other	38,982
Other	110
Other	
Deferred Dev Fee	345,743
HC Equity Competative	
HC Equity Non-Competative	3,041,696
Total Sources:	\$ 9,211,531
% of Project Financed by HC:	33.02%

**Costs versus Sources**

Total Project Costs	\$ 9,211,531
Total Financing Sources	<u>\$ 9,211,531</u>
Difference	\$ -

**Comparative Data for Presentation to the Board**

(additional data may be provided at staff discretion)

**Return on Sale of HTC**

HTC Requested	\$	3,600,000
HTC Equity	\$	3,041,696
HTC Return on Sale		0.84

**Per Unit Comparison**

	<b><u>Limits</u></b>		
Cost per unit total	n/a	\$	383,814
Cost per unit residential only	\$395,000	\$	383,814
Cost per unit Const / Rehab	n/a	\$	120,204
Credits per unit	n/a	\$	150,000

**Per Square Foot Comparison**

Construction / Rehab per sq ft	\$	166
Total Project Cost per sq ft	\$	529
Credits per sq ft	\$	207
Credits per sq ft (residential only)	\$	207

**Utilities Paid by (Tenant / Owner)**

Tenant
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Date: April 13, 2026  
To: Montana Board of Housing  
From: Homeword, Inc.  
RE: Narrative for LB Lofts and Laurel Gardens 4% tax credit applications;  
4% and 9% GO- Montana – HMF loan applications

HomeFront and Homeword are pleased to submit these applications for the 4% Housing Credits and two Growth & Opportunity Housing Trust - Housing Montana Fund requests for our both sides of our twinned project LB Lofts and Laurel Gardens in Billings and Laurel, MT.

**The property being submitted is as follows:**

Project Names: LB Lofts & Laurel Gardens 4% and 9%  
Property Names: LB Lofts, Laurel Gardens  
Owner Names: HomeFront 9 LBL LG, LLLP; HomeFront 4 LBL LG LLLP  
City: Billings  
County: Yellowstone  
Developer: Homeword, Inc.  
Developer Contact Info: Heather McMilin  
-email & phone #: heather@homeword.org, 406.532.4663, ext. 36  
General Partner Owners: HF 4 LBL LG, LLC & HF 9 LBL LG, LLC  
Management Company: HomeFront  
HC Consultant: N/A  
Property Type: Family (LB Lofts) & Senior (Laurel Gardens)  
Profit/Non-profit: Non-profit

Minimum Set-aside:

20/50 \_\_\_\_\_

40/60 \_\_\_X\_\_\_\_\_

Average Income \_\_\_\_\_

**Property Description:**

We are excited to present our LB Lofts & Laurel Gardens 4% Housing Credit application and two Growth & Opportunity Housing Trust - Housing Montana Fund requests to Montana Housing staff. These applications are an opportunity to fund and allow this much needed project to move forward. The project is comprised of a rehabilitation of a critical senior project in Laurel with existing rental assistance and a new construction project that recycles bedroom/bathroom modules (PODS - Premanufactured Overhauled Dwelling Solutions), creating new homes in Billings on HomeFront's campus on Sioux Lane in the Heights. This application represents the 4% tax credit project which includes LB Lofts 4%, creating 79 of the 101 total new homes, and Laurel Gardens, preserving 30 existing senior homes.

Laurel Gardens is comprised of 10 one-story buildings originally constructed in 1977 and acquired by HomeFront in 2020. The single level buildings have exterior entries to each home (similar to townhouse-style), primarily duplexes or fourplexes, with one building a triplex and the common areas. LB Lofts 4% has 14 three-story, "garden style" buildings, a mixture of six-plexes and five-plexes.

HomeFront and Homeward have been working diligently since the award of 2025 9% Housing credits. Both organizations recognize and are frustrated by project delays and are working hard to navigate the very troublesome credit market, lending environment and ongoing impacts to material costs. Progress has been made to get this critical project to closing and these applications will make it possible for closing and start of work later this summer/fall. We have identified an equity partner with a fund that will allow us to close and move forward. A credit refresh request for the 9% credits may be necessary depending on the contractor's construction schedule and infrastructure phasing. The proformas supplied with these applications reflect the current underwriting and known costs. The opportunity to apply for Growth & Opportunity Housing Trust - Housing Montana Fund has made this project possible.

**Anticipated Amenities and justification for need:**

All project amenities included at Laurel Gardens were included as part of the project's original development. No new amenities are proposed. Existing amenities include a community room, common laundry, walking paths, on-site parking and a site manager's/service coordinator office. Unit amenities include air conditioning, window coverings, and pet friendly homes. Phase One of the rehabilitation work was completed in 2023, and was primarily building envelope improvements. Phase Two is primarily interior and building system improvements.

LB Lofts is new construction and will take advantage of being located adjacent to several other HomeFront properties. The LB Lofts site has interior walking paths, outdoor gatherings areas and patios, and on-site parking. There are shared community gardens, a park and playground located directly east of LB Lofts. Unit amenities include a separate deck or patio for each home, in-unit washer/dryer, and air conditioning. Each home has two-bedrooms and two bathrooms, so they will be excellent homes for roommates, people with disabilities and an in-home care giver, aging parent(s) living with an adult child, or households with children.

### **Loan fund Narrative:**

The Montana Legislature and Montana Housing could not have come up with these favorable loan funds at a better time; ongoing market impacts to all aspects of housing development projects couldn't make our work in housing more complicated. These loan funds will allow HomeFront and Homeward to move forward quickly to close LB Lofts and Laurel Gardens and begin construction and the critical rehabilitation by late summer/early fall of 2026.

- HomeFront and Homeward applied to Montana Housing and were awarded 9% Housing Credits for 2025. Homeward has worked closely with Montana Housing on this 4% Housing Credit application. The Department of Commerce has awarded HOME funds to Laurel Gardens, a critical resource for the overall 4% side of this twinned project. The City of Billings has awarded HOME and CDBG funds to the LB Lofts portion of the project. Both HOME programs need HomeFront and Homeward to

close this project this summer to maintain this critical funding. HomeFront will be providing project-based vouchers at LB Lofts to assist with the debt necessary to complete this project and provide rental assistance for the residents. These loans compliment the previously awarded housing funds and will allow the project to move forward quickly.

- Current rates for using tax-exempt bonds as a construction loan and retaining a portion of the bonds as the mortgage are not financially feasible for the full amount necessary to acquire, build and rehabilitate these homes, but the project is feasible when paired with Glacier Bank loans for each side of the twinned project. NeighborWorks Montana had applied for and was intending to provide Capital Magnet loans to these projects, but unfortunately were not awarded those favorable funds. These Growth & Opportunity Housing Trust - Housing Montana Funds are the perfect solution for project feasibility.
- The need for new homes has not decreased for the City of Billings. These 101 new homes are crucial to help address the current needs. The senior homes at Laurel Gardens are critical for the Montanans living there; there are limited options for these seniors in Laurel.

We know moving forward to a summer 2026 closing is essential – Raymond James, the tax credit syndicator, and Glacier Bank, the lender, along with Homeward and HomeFront are ready to meet this challenge. We appreciate your consideration for funding.

Sincerely,



Heather McMillin, Homeward Project Development Director

<b>City</b>	<u><b>Billings</b></u>
<b>County</b>	<u><b>Yellowstone</b></u>
<b>Project Name</b>	<u><b>LB Lofts 9%</b></u>
<b>HC Requested</b>	6,500,000

<u><b>Unit Numbers</b></u>	<u><b>Target</b></u>	
2-bdrm	50%	12
2-bdrm	60%	10
Total Units		22
Average Income Targeting		54.55%

**Square Footage**

Income Restricted Units	20,490
Managers Unit(s)	770
Supportive Services	-
Common Space	-
Market/Commercial	-
Total	<u>21,260</u>

**Unit Rents**

2-bdrm	50%	1,485
2-bdrm	60%	1,485
Total Monthly Rents		32,670
vacancy factor		<u>7.00%</u>
Adjusted Rent		30,383
other/commercial income		<u>18</u>
total rent		30,401
x 12 months		<u>12</u>
Total Annual Income		364,815

**Expenses**

Administration	35,723
Management	16,990
Maintenance	35,331
Operating	64,257
Taxes	2,322
Replacement Reserve	7,700
Total Expenses	<u>162,323</u>

Net Income Before Debt Service 202,492

**Financing Sources**

Hard Loan	1,200,000
Hard Loan	2,000,000
Soft Loan	-
Soft Loan	-
State HOME	-
State CDBG	-
State NHTF	-
Other	-
Other	-
Other	1,380,421
Other	-
Deferred Dev Fee	236,279
HC Equity Competitive	4,874,513
HC Equity Non-Competitive	-
Total Sources:	<u>9,691,212</u>
% of Project Financed by HC:	50.30%

**Return on Sale of HTC**

HTC Requested	6,500,000
HTC Equity	4,874,513
HTC Return on Sale	0.750

**Ratios**

Rent (Income)	364,815
Operating Expenses	154,623
Replacement Reserves	7,700
Net Income Available for DS	202,492
Total Debt Service	\$179,494
Debt Coverage Ratio (DCR)	1.13
Total Expense Ratio	1.07

**Project Costs**

Land	-
Building/Acquisition	680,421
Site Work	648,910
Construction / Rehab	6,255,544
Soft Costs	764,337
Developer Fees	1,200,000
Reserves	142,000
Total Project Costs	9,691,213
Supportive Services Costs	-
Residential Costs	9,691,213

### **Costs versus Sources**

Total Project Costs	9,691,213
Total Financing Sources	<u>9,691,212</u>
Difference	0

### **Project Cost Limitations**

	<b><u>Limits</u></b>	
General Requirements	6.00%	5.28%
Contractor Overhead	2.00%	1.74%
Contractor Profit	6.00%	5.28%
Developer Fees	15.00%	14.37%
Soft Cost	40 or 45%	25.90%

### **Per Unit Comparison**

	<b><u>Limits</u></b>	
Cost per unit total	n/a	434,055
Cost per unit residential only	\$395,000	434,055
Cost per unit Const / Rehab	n/a	313,839
Credits per unit	n/a	295,455
Operating Cost per unit	\$3,000 min	7,028
Replacement Reserves	\$350 min	350

### **Per Square Foot Comparison**

Construction / Rehab per sq ft	294.25
Total Project Cost per sq ft	455.85
Credits per sq ft	305.74
Credits per sq ft (residential only)	305.74

**Utilities Paid by (Tenant / Owner)**

Tenant

Date: April 13, 2026  
To: Montana Board of Housing  
From: Homeword, Inc.  
RE: Narrative for the Towers 4% Tax Credit and GO Montana – HMF applications,  
Towers 9% GO Montana – HMF application

Homeword is pleased to submit these applications for the 9% Growth & Opportunity Housing Trust - Housing Montana Funds, and for the 4% Housing Tax Credits and Growth & Opportunity Housing Trust - Housing Montana Fund Growth & Opportunity Housing Trust - Housing Montana Funds for our Towers twinned project in Billings, MT.

**The property being submitted is as follows:**

Owner Name: Towers 9% LLLP / 4% LLLP  
Property Name: Sage Tower and Fraser Tower  
City: Billings  
County: Yellowstone  
Developer: Homeword, Inc.  
Developer Contact Info: Heather McMilin  
-email & phone #: heather@homeword.org, 406.532.4663, ext. 36  
General Partner Owner: HW-Towers 9% LLC / HW-Towers 4% LLC  
Management Company: Tamarack Property Management Company  
HC Consultant: N/A  
Property Type (Family/Senior): Senior  
Profit/Non-profit: Non-profit  
Minimum Set-aside:  
20/50 \_\_\_\_\_  
40/60  X  \_\_\_\_\_  
Average Income \_\_\_\_\_

**Property Description:**

Towers 4% is the 4% LIHTC component of a proposed “twinned” 4%/9% project to address critical capital needs at both Fraser and Sage Towers. Fraser Tower is a six-

story building that includes 64 homes for seniors. Sage Tower is a ten-story building that includes 81 homes for seniors and people with disabilities. Both projects are located in Billings, Montana and were built with similar construction, brick masonry high rises. Sage was built in 1974, and not long after, Fraser was completed in 1979. Both buildings were rehabilitated by the previous owners with housing tax credits, Fraser in 2006 and Sage in 2009. While key updates for visual appeal and marketability were completed at that time, there were larger, critical capital needs, such as building envelope improvement and HVAC system upgrades/replacements that were not addressed. In 2018, the two projects came on the market, and Homeward pursued the preservation of these critical senior homes in Billings, Montana. While their affordable deed restrictions weren't set to expire as quickly as Creekside's (Homeward's 2017 preservation acquisition that is currently undergoing rehabilitation in Missoula, MT), there was still the potential for market buyers who could have intended to wait out the deed restrictions and take the properties to market, which would have been a significant loss for Billings seniors with lower incomes. The risk of losing these affordable homes was high and would have included the loss of valuable partial project-based rental assistance contracts.

To acquire the properties, Homeward worked with our some of our Creekside partners and the City of Billings to successfully utilize a 501c3 conduit bond and EQ2 loans to preserve Fraser Tower, closing on the acquisition in late 2018. Sage Tower was preserved with similar EQ2 loans combined with preserving a favorable HUD insured mortgage and Homeward finally acquired the property in the spring of 2019. Lessons previously learned with Creekside and its partners smoothed the way for Homeward to acquire and preserve both properties. After acquiring the properties, Homeward also secured project-based vouchers for the homes that were not previously included in the rental assistance contract.

At the time of acquisition, Homeward understood both Sage and Fraser Towers would need significant rehabilitation within 5 to 7 years. (17 to 20 years after the previous moderate rehabilitation). Over the past five years, Homeward's Asset Management Team has worked diligently with Tamarack Property Management Company to repair

and replace what was possible through operational income, and it is now time for more substantial rehabilitation to ensure safe and healthy homes for residents and long-term sustainable operations for the project, beyond the available resources of net operating income.

This 4% application includes 101 homes: the first two floors of Fraser Tower and Sage Tower entirely. The previously awarded 9% includes 44 homes: the top four floors of Fraser Tower. There will be a condominium association that will include the 9% and 4% projects as separate condominiums, using what we have learned on our Creekside project, and have previously learned at Starner Gardens, Crowley Flats, Solstice and Equinox that also use condominium structures to separate tax credit programs. Homeward has confirmed this approach with US Bank Impact Finance and will use the same legal team used at Creekside to navigate these complexities with ease to ensure Sage and Fraser Towers' long term sustainable operations and affordability.

**Anticipated Amenities and justification for need:**

All project amenities included at Fraser and Sage Towers were included as part of the project's original development. No new amenities are proposed. Existing amenities at Sage Tower include a community room, dining hall, library, business center, family room, gathering lounge, garbage chutes, a site manager's office, off-street parking, a secured entry system, a service coordinator's office, and a covered outdoor gathering space. The Service Coordinator helps residents access off-site supportive services available in Billings or online. Fraser Tower is a smaller building but still includes a common laundry room, common area kitchen, community room, garbage chutes, a site manager's office, off-street parking, a secured entry system, and is across the street from a large community park. All amenities will remain the same and have been included in the operating budget for years, so no additional costs for operations.

**Loan Fund Narrative:**

The Montana Legislature and Montana Housing could not have come up with these favorable loan funds at a better time; ongoing market impacts to all aspects of housing development projects couldn't make our work in housing more complicated or

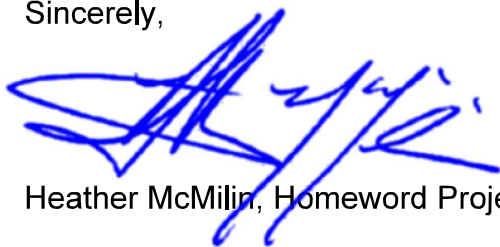
challenging. These loan funds will allow Homeword to move forward quickly to close both Towers projects and begin the critical rehabilitation by the winter of 2026/7.

- Homeword applied to Montana Housing was awarded 9% Housing Credits for 2026. We have worked closely with Montana Housing on this 4% Housing Credit application and seeking additional sources of funds for the 4% project. The Department of Commerce has awarded National Housing Trust Funds to Sage Towers, a critical resource for the both the 4% and 9% side of this twinned project. The City of Billings has recommended awarding their available housing resources to Sage Towers as well. HomeFront has many clients and former clients living at both Fraser and Sage Towers and is a supporter of this rehabilitation project. This loan compliments the other housing funds, both already secured and those requested, and will allow the project to move forward quickly.
- These permanent loans are the ideal loan products to ultimately allow Towers 4 and 9% to pay off the construction loan for the 9% and the new tax-exempt bond for the 4%, which will act as a construction loan, at the time of stabilization. Current rates for tax exempt bonds are not financially feasible for the amount necessary to acquire and complete the critical rehabilitation needs for both Towers 4% and 9%, and then retain a portion of the bond as a permanent mortgage. NeighborWorks Montana will recycle/repaper the existing EQ2 loan funds currently on Sage and Fraser into the 9% side of the twinned project, along with the \$1.3 million GO Loan, using a similar structure established for our Creekside project for the EQ2 funds. There is a favorable existing HUD HUNT loan that will be assigned to the 4% side of the Towers project to pair with the application for a \$2.5 million GO Montana loan for the permanent hard debt.
- The Capital Needs Assessments (CNA) done in 2017 illustrated that most of the overall building systems were nearing the end of their useful lives when Homeword acquired the properties. This has certainly proven true and is illustrated within this application in the rehabilitation scope proposed focusing on the building envelope and major building systems. Another byproduct of the last few years is the reality that construction costs, both labor and materials, have increased by percentages

not seen in our lifetimes. Multifamily construction costs have risen by approximately 30% to over 50% since early 2020, with many sources citing a cumulative increase of around 40% due to material shortages, supply chain issues, and labor constraints. Material costs saw unprecedented volatility from 2020 through 2024, and while some stabilization occurred, costs remain historically high through early 2026. The proposed twinned credit approach gives Fraser and Sage Towers the best opportunity to succeed in completing major capital improvements that cannot be covered by net operating income and replacement reserves. This project represents a confluence of unique circumstances that allow us to rehabilitate Fraser and Sage Towers for long-term, sustainable operations as a critical component of Billings and Montana's affordable housing portfolio with rental assistance.

- Concepts used in Homeword's current Creekside rehabilitation are laced throughout these projects and help make the Towers Rehabilitation projects feasible. The key time sensitive component for Towers is the fact that both buildings were within 2025 Qualified Census Tracts (QCT), but in 2026, Fraser Tower is no longer in a QCT. The funding gap created was compensated for within the projects when Homeword ordered formal appraisals to establish the most accurate acquisition values for both properties to leverage acquisition credits. Moving forward to a 2026 closing is essential – The US Bank equity and lending team along with Homeword are ready to meet this challenge.

Sincerely,



Heather McMilin, Homeword Project Development Director

<b>City</b>	<u><b>Billings</b></u>
<b>County</b>	<u><b>Yellowstone</b></u>
<b>Project Name</b>	<u><b>Towers 9%</b></u>
<b>HC Requested</b>	7,500,000

<u><b>Unit Numbers</b></u>	<u><b>Target</b></u>	
1-bdrm	50%	29
1-bdrm	60%	11
2-bdrm	50%	2
2-bdrm	60%	1
other	mgr(60%)	1
Total Units		<u>44</u>
Average Income Targeting		52.95%

<u><b>Square Footage</b></u>		
Income Restricted Units	22,649	
Managers Unit(s)	723	
Supportive Services	-	
Common Space	8,748	
Market/Commercial	-	
Total		<u>32,120</u>

<u><b>Unit Rents</b></u>		
1-bdrm	50%	1,074
1-bdrm	60%	1,074
2-bdrm	50%	1,343
2-bdrm	60%	1,343
other	mgr(60%)	1,343
Total Monthly Rents		<u>48,332</u>
vacancy factor		<u>7.00%</u>

Adjusted Rent	44,949
other/commercial income	<u>311</u>
total rent	45,260
x 12 months	<u>12</u>
Total Annual Income	543,115

**Expenses**

Administration	21,458
Management	37,109
Maintenance	55,907
Operating	221,193
Taxes	1,625
Replacement Reserve	15,400
Total Expenses	<u>352,692</u>

Net Income Before Debt Service 190,423

**Financing Sources**

Hard Loan	1,300,000
Hard Loan	2,161,710
Soft Loan	-
Soft Loan	2,032,826
State HOME	-
State CDBG	-
State NHTF	-
Other	-
Other	-
Other	-
Other	-
Deferred Dev Fee	567,764
HC Equity Competitive	6,224,378
HC Equity Non-Competitive	-
Total Sources:	<u>12,286,678</u>
% of Project Financed by HC:	50.66%

**Return on Sale of HTC**

HTC Requested 7,500,000

HTC Equity

6,224,378

HTC Return on Sale

0.830

## **Ratios**

Rent (Income)	543,115
Operating Expenses	337,292
Replacement Reserves	15,400
Net Income Available for DS	190,423
Total Debt Service	\$173,738
Debt Coverage Ratio (DCR)	1.10
Total Expense Ratio	1.03

## **Project Costs**

Land	-
Building/Acquisition	5,953,333
Site Work	-
Construction / Rehab	3,707,500
Soft Costs	881,845
Developer Fees	1,500,000
Reserves	244,000
Total Project Costs	12,286,678
Supportive Services Costs	-
Residential Costs	12,286,678

## **Costs versus Sources**

Total Project Costs	12,286,678
Total Financing Sources	12,286,678
Difference	0

### **Project Cost Limitations**

	<b><u>Limits</u></b>	
General Requirements	6.00%	5.21%
Contractor Overhead	2.00%	1.74%
Contractor Profit	6.00%	5.21%
Developer Fees	15.00%	14.23%
Soft Cost	40 or 45%	24.65%

### **Per Unit Comparison**

	<b><u>Limits</u></b>	
Cost per unit total	n/a	273,697
Cost per unit residential only	\$395,000	273,697
Cost per unit Const / Rehab	n/a	84,261
Credits per unit	n/a	170,455
Operating Cost per unit	\$3,000 min	7,666
Replacement Reserves	\$350 min	350

### **Per Square Foot Comparison**

Construction / Rehab per sq ft	115.43
Total Project Cost per sq ft	382.52
Credits per sq ft	233.50
Credits per sq ft (residential only)	320.90

### **Utilities Paid by (Tenant / Owner)**

Owner

<b>City</b>	<b>Billings</b>
<b>County</b>	<b>Yellowstone</b>
<b>Project Name</b>	<b>Towers 4%</b>
<b>HC Requested</b>	13,350,790

<u>Unit Numbers</u>	<u>Target</u>	
0-bdrm	60%	36
1-bdrm	60%	18
1-bdrm	60% (small)	18
1-bdrm	60% (large)	26
2-bdrm	60%	2
other	mgr(60%)	1
Total Units		101
Average Income Targeting		60.00%

**Square Footage**

Income Restricted Units	49,562
Managers Unit(s)	700
Supportive Services	-
Common Space	35,468
Market/Commercial	-
Total	85,730

**Unit Rents**

0-bdrm	60%	881
1-bdrm	60%	1,074
1-bdrm	60% (small)	1,036
1-bdrm	60% (large)	1,114
2-bdrm	60%	1,343
other	mgr(60%)	1,114
Total Monthly Rents		102,460
vacancy factor		5.00%
Adjusted Rent		97,337
other/commercial income		2,684
total rent		100,021

x 12 months

12

Total Annual Income

1,200,254

**Expenses**

Administration	53,272
Management	69,424
Maintenance	139,022
Operating	579,968
Taxes	4,585
Replacement Reserve	35,350
Total Expenses	<u>881,621</u>

Net Income Before Debt Service 318,633

**Financing Sources**

Hard Loan	-
Hard Loan	-
Soft Loan	2,500,000
Soft Loan	11,439,326
State HOME	-
State CDBG	-
State NHTF	1,671,000
Other	-
Other	810,000
Other	750,000
Other	2,007,942
Deferred Dev Fee	679,350
HC Equity Competitive	-
HC Equity Non-Competitive	<u>11,080,048</u>
Total Sources:	30,937,666
% of Project Financed by HC:	35.81%

**Return on Sale of HTC**

HTC Requested	13,350,790
HTC Equity	11,080,048
HTC Return on Sale	0.830

## **Ratios**

Rent (Income)	1,200,254
Operating Expenses	846,271
Replacement Reserves	35,350
Net Income Available for DS	318,633
Total Debt Service	\$227,254
Debt Coverage Ratio (DCR)	1.40
Total Expense Ratio	1.08

## **Project Costs**

Land	30,000
Building/Acquisition	14,296,666
Site Work	-
Construction / Rehab	8,867,500
Soft Costs	3,142,500
Developer Fees	3,900,000
Reserves	701,000
Total Project Costs	<u>30,937,666</u>
Supportive Services Costs	-
Residential Costs	30,937,666

## **Costs versus Sources**

Total Project Costs	30,937,666
Total Financing Sources	<u>30,937,666</u>
Difference	0

**Project Cost Limitations**

	<b><u>Limits</u></b>	
General Requirements	6.00%	4.63%
Contractor Overhead	2.00%	1.54%
Contractor Profit	6.00%	4.63%
Developer Fees	15.00%	14.83%
Soft Cost	40 or 45%	30.40%

**Per Unit Comparison**

	<b><u>Limits</u></b>	
Cost per unit total	n/a	299,373
Cost per unit residential only	\$395,000	299,373
Cost per unit Const / Rehab	n/a	87,797
Credits per unit	n/a	132,186
Operating Cost per unit	\$3,000 min	8,379
Replacement Reserves	\$350 min	350

**Per Square Foot Comparison**

Construction / Rehab per sq ft	103.44
Total Project Cost per sq ft	360.87
Credits per sq ft	155.73
Credits per sq ft (residential only)	265.62

**Utilities Paid by (Tenant / Owner)**

Owner



**ROCKY MOUNTAIN DEVELOPMENT COUNCIL, INC.**  
P.O. Box 1717 | 200 South Cruse Avenue | Helena, MT 59624-1717  
phone: 406.447.1680 | toll free: 800.356.6544 | fax: 406.447.1629

Date: April 13, 2026  
To: Montana Board of Housing  
From: Rocky Mountain Development Council, Inc.  
RE: Narrative for Eagle Manor Residences 4% - Housing Credit Inducement Resolution & Go Fund Loan Request

### Introduction

Rocky Mountain Development Council, Inc. (Rocky) respectfully submits this Checklist Threshold 4% Pre-application for an allocation of 4% Low-Income Housing Tax Credits and GO Fund Loan to preserve **Eagle Manor Residences**, a 139-unit senior housing development in Helena, MT. Rocky is an experienced organization with a successful track record utilizing both 4% and 9% Housing Credits, together with other favorable financing resources, to preserve and develop housing for vulnerable populations.

### Project Description

The proposed Eagle Manor Residences project will consolidate three physically connected but operationally separate properties: the 66-unit **Penkay Eagles Manor**, the 44-unit **Eagles Manor II**, and the 30-unit **Eagles Manor III**. Through this preservation effort, the combined development will continue serving Helena's senior and disabled community, with occupancy serving residents age 62+ consistent with existing program requirements.

Following rehabilitation, the project will contain 44 studio apartments and 95 one-bedroom apartments. As part of the redevelopment, two existing efficiency units will be combined to create one larger one-bedroom unit, improving functionality.

Currently, 13 studio units and 40 one-bedroom units benefit from HUD Project-Based Section 8 rental assistance. Rocky intends to preserve this existing rental assistance and pursue additional project-based budget authority through a combination of the 8bb transfer mechanism, if budget authority becomes available, and coordinate with the State and Helena Housing Authority regarding project-based tenant-based voucher authority as contemplated in the State's draft Public Housing Authority Administrative Plan.

### **Project Coordination & Necessary Funding**

Rocky's overall affordable housing portfolio offers 382 units in Lewis and Clark, Jefferson and Broadwater counties. Eagle Manor Residences will coordinate multiple state and federal resources and programs through the consolidation, transfer and assumption of existing HUD Housing Assistance Payments (HAP) contracts, while also working with the State Public Housing Authority (PHA) to pursue additional rental assistance for the project.

At this time, the amount of additional rental assistance budget authority that may become available remains uncertain. In addition, the proposed new Public Housing Authority Administrative Plan requires projects to be underwritten without assuming additional rental assistance. Given those realities, Eagle Manor Residences is proposing to leverage the State's excess bond cap through a request for 4% Housing Credits and a modest GO Fund loan.

This financing approach provides several important benefits. First, it allows the Board of Housing to preserve limited 9% Housing Credit resources for other worthy projects that cannot proceed without them. Second, the favorable terms of the GO Fund loan are especially important to this transaction, including statutory provisions that may support property tax relief for nonprofit ownership. Third, the Housing Credits and Go Fund loan will leverage substantial seller financing and sponsor capital from Rocky. At present, no other existing or available funding source can fill this need.

In addition to preserving housing, this project presents an opportunity to reimagine underutilized common areas for broader community benefit. With the elimination of commercial kitchen, that space can be redesigned into a more welcoming community space with a sperate entrance, allowing continued or expanded use by outside

organizations for activities such as bridge groups, blood drives, and other community-serving events.

### **Public Benefit**

Two of the three properties proposed for consolidation were originally developed by HUD as part of urban renewal in the late 1960's and early 1970's. While renovation work has occurred over time, much of that work focused primarily on asbestos and hazardous material abatement. As a result, many major building systems are now approaching 60 years of age. The properties also face increasing financial pressure, and repositioning them through this acquisition and rehabilitation effort is essential to their continued operation. This project will preserve 139 units of senior housing serving some of Helena's most vulnerable residents, and the eight market rate units will be converted to rent- and income-restricted affordable housing. It will also preserve existing rental assistance currently supporting 53 units and position the project to pursue additional project-based assistance over time. Preserving this rental assistance is critical not only for the households directly benefiting from it but also for the long-term financial stability of the property as a whole. Existing rents for the unsubsidized residents are extremely low, with the efficiency units at approximately \$415 per month and one-bedroom units at approximately \$455 per month, levels that are not sufficient to support the long-term operations without recapitalization and restructuring.

To protect the current residents, the project will capitalize a substantial tenant rent protection reserve designed to help absorb incremental rent increases over the next ten years. This approach will help ensure that existing tenants are not unduly burdened by the rent adjustments necessary to support the long-term financial feasibility of the project.

Another key component of this preservation effort is the elimination of the mandatory meals program. At present, all tenants are required to participate, even though resident surveys indicate that only about half would choose to do so if participation were optional. Over the past decade, Rocky has been forced to adapt the meals program in response to the loss of funding, workforce shortages, and the effects of the COVID-19 pandemic. In 2018, the State changed its interpretation of the Senior Commodities program rules, resulting in the loss of approximately \$50,000 per year in grant funding. Meals were subsequently reduced from three meals per day to two. During the pandemic, prepared

meals were reduced further to one meal per day and congregate dining ceased. Restarting a full three-meal congregate dining program is no longer financially feasible.

The current meals program represents a significant operating expense that is no longer sustainable in its present form. Rocky is well positioned to continue serving residents who rely on a daily hot meal through coordination with its existing Meals on Wheels program. Rehabilitation will also improve in-unit kitchen facilities in the studio apartments so residents are better able to prepare food independently. This transition is expected to benefit both residents and the property by making meal participation optional and reducing residents' monthly out-of-pocket food costs, while allowing the project to rely on a more sustainable service model supported by funding sources available to Meals on Wheels.

Finally, the rehabilitation will include critical physical improvements, including life-safety upgrades, accessibility improvements, major system replacements, and other modernization work necessary to preserve the property for the next 50 years. These improvements will allow the project to continue serving Helena's low-income senior population in a safer, more dignified, and more sustainable manner.

### **Improvements/Amenities**

Given the age of the buildings, Eagle Manor Residences is in need of substantial reinvestment. This preservation is intended to address critical life-safety issues, replace aging building systems, improve energy efficiency, and enhance overall resident quality of life.

Planned improvements are expected to include, among other things:

- Fire suppression system improvements
- Security upgrades
- Accessibility and ADA-related improvements
- HVAC and major system upgrades
- Energy-efficiency improvements
- Fix failing building envelope – mitigate existing and prevent future damage
- Site work, utility connections and drainage
- Interior in-concrete slab plumbing re-routing and fixes on all 5 stories

- Electrical upgrades
- Kitchen upgrades (with particular focus on studio kitchens)
- Bathroom fixtures upgrades
- Interior and common-area improvements that better support aging residents.

Together, these improvements will help ensure that Eagle Manor Residences can continue serving the Helena community for decades to come.

## **Financing**

Several key circumstances make it possible to complete this important preservation project utilizing 4% Housing Credits and a relatively small GO Fund loan representing less than 7% of that total permanent capital stack.

Proposed funding sources include:

- \$1,000,000 City of Helena Affordable Housing construction loan
- \$13,000,000 Private Placement MBOH Bond (as construction loan)
- \$2,500,000 GO Fund loan
- \$400,000 City of Helena Affordable Housing Permanent Loan
- \$6,600,000 private permanent loan
- \$11,300,000 tax credit equity
- \$6,000,000 seller note
- \$9,300,000 general partner capital contribution
- \$2,240,000 deferred developer fee; and
- An operating reserve transfer of approximately \$580,000.

As proposed, a **\$2.5 million GO Fund allocation** will leverage approximately **\$36.4 million** from other permanent sources to complete this project.

Rocky strives to create a vibrant community where residents live engaged, purposeful lives in a compassionate environment dedicated to dignity and vitality throughout life. We appreciate your consideration of this important preservation effort and respectfully request your support.

Please do not hesitate to contact me at (406) 457-7314 or [lladas@rmdc.net](mailto:lladas@rmdc.net) with any questions.

Sincerely,



Lori Ladas, Executive Director

Rocky Mountain Development Council, Inc.

**Project Name**

Eagles Manor
\$ 13,300,000

**HC Requested (10 yr total)**

**Unit Numbers**

**Target**

0-bdrm	30%	5
0-bdrm	50%	39
1-bdrm	30%	3
1-bdrm	40%	1
1-bdrm	50%	57
1-bdrm	60%	34
Total Units		139
Average Income Targeting		51.22%

**Square Footage**

Income Restricted Units	15,400
Managers Unit(s)	-
Supportive Services	-
Common Space	2,000
Market/Commercial	-
Total	17,400

**Unit Rents**

0-bdrm	30%	1,174
0-bdrm	50%	1,174
0-bdrm	50%	800
1-bdrm	30%	1,434
1-bdrm	40%	800
1-bdrm	50%	1,434
1-bdrm	60%	1,434
1-bdrm	30	600
1-bdrm	50	950
2-bdrm	1 bdrm 60%	1,000

**Project Costs**

Land	1,807,000
Building/Acquisition	16,263,000
Site Work	500,000
Construction / Rehab	9,490,000
Soft Costs	4,495,800
Developer Fees	4,700,000
Reserves	1,663,737
Total Project Costs	\$ 38,919,537
Supportive Services Costs	\$ -
Residential Costs	\$ 38,919,537

**Financing Sources**

Hard Loan	6,600,000
Hard Loan	2,500,000
Hard Loan	400,000
Seller Note	
State HOME	
State CDBG	
State NHTF	
Other	
Other	6,000,000
Other	9,300,000
Other	580,048
Deferred Dev Fee	2,235,619
HC Equity Competitive	
HC Equity Non-Competative	11,303,870
Total Sources:	\$ 38,919,537
% of Project Financed by HC:	29.04%

### **Costs versus Sources**

Total Project Costs	\$	38,919,537
Total Financing Sources	\$	<u>38,919,537</u>
Difference	\$	-

### **Comparative Data for Presentation to the Board**

(additional data may be provided at staff discretion)

### **Return on Sale of HTC**

HTC Requested	\$	13,300,000
HTC Equity	\$	11,303,870
HTC Return on Sale		0.85

### **Per Unit Comparison**

	<b><u>Limits</u></b>		
Cost per unit total	n/a	\$	279,997
Cost per unit residential only	\$395,000	\$	279,997
Cost per unit Const / Rehab	n/a	\$	71,871
Credits per unit	n/a	\$	95,683

### **Per Square Foot Comparison**

Construction / Rehab per sq ft	\$	574
Total Project Cost per sq ft	\$	2,237
Credits per sq ft	\$	764
Credits per sq ft (residential only)	\$	764

### **Utilities Paid by (Tenant / Owner)**

Owner
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Date: April 1, 2026

To: Montana Board of Housing

From: DevCo Residential Group

RE: Narrative for North Park Apartments

## **Introduction**

DevCo Residential Group is pleased to present the Narrative justifying a \$4.0 million request from the Growth & Opportunity Housing Trust – Housing Montana Fund (HMF) for North Park Apartments, a 152-unit project intended for families making 60% of AMI in Billings, MT. DevCo is seeking a permanent loan on an 18-year term, amortized over 40 years. An allocation would alleviate the project's ~\$4M+ funding gap, providing much needed affordable housing to the city of Billings while permanently cleaning up an area on contamination in the downtown area.

The North Park Apartments project is located in the center of Billings's EBURD (East Billings Urban Renewal District) that was established in 2006 with the goal of revitalizing the downtown industrial core into a mixed-use corridor for housing, shopping and entertainment. North Park Apartments will be the first Low Income Housing Project within the EBURD, offering future tenants access to the amenities within the district and providing a pipeline for employment.

The piece of land that the project will be built on has been subject to environmental contamination dating back to an original Phase I report from 1998 which identified a petroleum release from neighboring rail lines, a floor drain in a now demolished 1958 auto repair shop which was discharging waste into the subsurface, and asbestos/Lead Based Paint from demolished buildings over the years. In 2017, the Big Sky EDC leveraged ~\$125K in brownfield funds for the remediation of asbestos, lead, petroleum products, and other contaminants, referencing the contamination of building materials, ground water and soil. The EPA's website states the cleanup work was completed in 03/2022, noting that the presence of both groundwater and soil contamination was remediated through natural attenuation. Monitoring

wells were installed after this work was completed and then they were removed in 2022 through a MDEQ authorized work plan after soil contamination levels were confirmed to be within the guidelines of environmental regulations.

DevCo went under contract with this site in 2024 and began work on entitling the site for 152 apartments while working to understand any further environmental cleanup that may be required. Ultimately, DevCo decided to walk away from the project due to financing challenges in early 2025. With the help of a boost in 2026 AMI's, as well as the introduction of the Housing Montana Fund, DevCo was able to go back under contract to acquire the land in late 2025 with the goal of continuing the entitlements and applying for financial support from the Montana Housing Fund to help deliver 152 affordable housing units to this central location in Billings.

The project will consist of one-, two-, three- and four-bedroom units dedicated for families. The project will include a playground, dog park, walking paths, bike storage, in unit washers/driers, fitness room and clubhouse dedicated to residents. The project will also partner with Rainbow Housing Partners and provide their LINK Connected Services program to all residents. The LINK program offers a comprehensive services program to residents through online education classes, one on one teaching, and individual resident profiles to give residents the tools to improve their lives and economic standing within the community.

Currently, the project continues to progress on the entitlement front. It has received site plan approval and has submitted building plans/civil engineering plans to the city building departments. If awarded financing, the project plans to close and break ground in late 2026.

## **Description of efforts to coordinate other Funding Programs**

### Montana Healthcare Foundation

DevCo identified the Montana Healthcare Foundation as a potential source of additional funding in October of 2025. After a brief introductory call, the Foundation informed us of their preference to deploy funds to smaller projects located in rural areas, however, they did not completely rule out making loans to projects in "The Big 7" and expressed a preference for Billings and Helena.

DevCo intends to continue discussions with the Healthcare Foundation for financial support for the North Park project. The issue is that these funds are limited to roughly \$700,000 for the project. With a project gap of \$4,000,000+, these funds help but do not close the financing gap for the project.

#### MBOI Infrastructure Revolving Bond Program

DevCo identified the MBOI Infrastructure Revolving Bond Program as a potential funding source to finance North Park's infrastructure improvements (utility connections, sidewalk improvements, streetside landscaping). Since then, we have worked closely with representatives from the City of Billings to better understand this product's terms and mechanics, both of which pose challenges to Financial Feasibility.

To utilize this product, the City of Billings would issue Tax Exempt Bonds to finance the infrastructure work through the creation of a Special Improvement District (SID). A Special Assessment would be imposed on parcels within the SID to pay the Debt Service on the bonds within 15-20 years. North Park Apartments would bear the entire burden of the Special Assessment, which would be an operating cost to the project and is preliminary estimated at ~\$76K (\$317 per unit). This payment would negatively impact on permanent loan proceeds and result in a larger gap for the project.

Additionally, the Program Guidelines require the city to waive Impact Fees in an amount not to exceed the Bond Amount if BOI purchases the bonds. Our City Representatives expressed this would be a non-starter, however, they may be able to circumvent that requirement if the bonds are sold publicly.

#### Neighborworks Montana

Devco has a long history with Neighborworks Montana and has utilized their Gallatin County Housing Fund for multiple projects in Bozeman. When inquiring about financing a potential project in Billings, Neighborworks noted that there is a state fund, but the capital is not available to support this project.

#### GO Housing – MFHP (requires 1<sup>st</sup> Lien Position and RE Taxes; \$13M in available funding)

This product's 1<sup>st</sup> lien position requirement and mandate to pay property taxes makes it infeasible for this project. This project's permanent lender requires 1<sup>st</sup> lien position. Additionally,

this property will receive a full Property Tax Exemption through a partnership with a Qualified Non-Profit Partner per MT Statutes.

**Will the Loan replace existing or available funding for the project?**

The loan will not replace existing or available funding for the project. The funds from Go Trust are the catalyst for this project to move forward.

**Description of Public Benefit obtained from Project Funding**

The public benefit of the North Park project will be felt on multiple levels. First and foremost, the North Park project moving forward will help the City of Billings develop a site with a long history of environmental contamination. The history of this site has been a challenge for development, with numerous failed housing projects over the years. North Park Apartments and DevCo Residential Group are able and willing to help continue the clean-up of the site and demolish an existing vacant warehouse to provide a vibrant affordable housing community. With the location of the site being in the middle of the growing EBURD area, the delivery of housing units to this area will uplift all businesses in the district and give the tenants walkability to the area to boost the economy of the district.

Secondly, the North Park project delivers much needed affordable housing to the City of Billings. According to our market study conducted in 2025, there have only been 125 affordable units funded by MBOH since 2020. The North Park project would more than double the number of units in the area by delivering 152 deed restricted affordable housing units to the heart of the city. With market rents averaging between 26 to 55% above the max LIHTC rents, the addition of more housing to the market alleviates the strain on available housing to individuals earning below 60% of AMI.

**DevCo Mission Statement**

DevCo Preservation uses its extensive experience in the management, construction, and financing of affordable housing to revitalize existing properties and build long lasting

communities. By planning extensive renovations and making long-term affordability commitments DevCo Preservation provides quality, affordable housing in growing markets where it is needed most. DevCo has extensive experience in Montana, owning and operating over 500 affordable housing units across the state with plans to deliver 500 more units over the next couple of years.

<b>City</b>	<b>Billings</b>
<b>County</b>	<b>Yellowstone</b>
<b>Project Name</b>	<b>North Park</b>
<b>HC Requested</b>	19,969,970

<u>Unit Numbers</u>	<u>Target</u>	
1-bdrm	60%	64
2-bdrm	60%	46
3-bdrm	60%	34
4-bdrm	60%	8
Total Units		152
Average Income Targeting		60.00%

**Square Footage**

Income Restricted Units	118,680
Managers Unit(s)	-
Supportive Services	-
Common Space	-
Market/Commercial	-
Total	<u>118,680</u>

**Unit Rents**

1-bdrm	60%	1,110
2-bdrm	60%	1,318
3-bdrm	60%	1,505
4-bdrm	60%	1,660
Total Monthly Rents		196,118
vacancy factor		<u>5.00%</u>
Adjusted Rent		186,312
other/commercial income		<u>10,228</u>
total rent		196,540
x 12 months		<u>12</u>
Total Annual Income		2,358,479

**Expenses**

Administration	85,807
Management	71,046
Maintenance	395,200
Operating	145,160
Taxes	-
Replacement Reserve	<u>53,200</u>
Total Expenses	<u>750,413</u>
Net Income	
Before Debt	1,608,066

**Financing Sources**

Hard Loan	18,018,000
Hard Loan	4,000,000
Soft Loan	750,000
Soft Loan	1,944,796
State HOME	-
State CDBG	-
State NHTF	-
Other	1,763,188
Other	-
Other	-
Other	-
Deferred Dev Fee	4,162,688
HC Equity Competitive	16,397,319
HC Equity Non-Competitive	<u>-</u>
Total Sources:	47,035,991
% of Project Financed by HC:	34.86%

**Return on Sale of HTC**

HTC Requested	19,969,970
HTC Equity	16,397,319
HTC Return on Sale	0.821

**Ratios**

Rent (Income)	2,358,479
Operating Expenses	697,213
Replacement Reserves	53,200
Net Income Available for DS	1,608,066
Total Debt Service	\$1,433,618
Debt Coverage Ratio (DCR)	1.12
Total Expense Ratio	1.08

**Project Costs**

Land	3,950,000
Building/Acquisition	206,500
Site Work	-
Construction / Rehab	29,692,147
Soft Costs	6,993,519
Developer Fees	5,533,825
Reserves	660,000
Total Project Costs	47,035,991
Supportive Services Costs	-
Residential Costs	47,035,991

### **Costs versus Sources**

Total Project Costs	47,035,991
Total Financing Sources	<u>47,035,991</u>
Difference	(0)

### **Project Cost Limitations**

	<u>Limits</u>	
General Requirements	6.00%	4.92%
Contractor Overhead	2.00%	1.66%
Contractor Profit	6.00%	4.92%
Developer Fees	15.00%	15.00%
Soft Cost	40 or 45%	41.90%

### **Per Unit Comparison**

	<u>Limits</u>	
Cost per unit total	n/a	305,105
Cost per unit residential only	\$395,000	305,105
Cost per unit Const / Rehab	n/a	195,343
Credits per unit	n/a	131,381
Operating Cost per unit	\$3,000 min	4,587
Replacement Reserves	\$350 min	350

### **Per Square Foot Comparison**

Construction / Rehab per sq ft	250.19
Total Project Cost per sq ft	396.33
Credits per sq ft	168.27
Credits per sq ft (residential only)	168.27

**Utilities Paid by (Tenant / Owner)** Tenant



**P:** +406-545-7007  
**E:** billingsbird@gmail.com  
**A:** 319 N. 14<sup>th</sup> St Billings, Mt 59101

**To:**

**Date: 14 April 2025**

Chase Huber  
10900 Ne 8Th st. Suite 1200,  
Bellevue WA. 98004

To Whom It May Concern,

On behalf of the East Billings Urban Renewal District (EBURD) and BIRDworks, I am writing to express strong support for the proposed North Park Apartments in Billings, Montana, as it seeks funding.

This project aligns directly with the EBURD Urban Renewal Plan and EBURD Master Plan, both of which prioritize reinvestment, blight removal, and the development of quality housing within the district. The redevelopment of underutilized and/or blighted properties into new residential units advances these goals while contributing to a safer, more functional, and more vibrant area.

The need for workforce and affordable housing within EBURD is immediate. With over 150 residential units, North Park Apartments represents a significant investment that will meaningfully expand housing availability, support the local workforce, and introduce long-needed residential density into an area that has historically lacked it.

This project also represents a catalyst investment within the district. Its scale and location near North Park and ongoing public and private improvements position it to build on existing momentum—encouraging additional reinvestment, supporting nearby businesses, and accelerating the district's transition into a more connected and livable environment.

North Park Apartments reflects the core purpose of urban renewal: eliminating blight, improving livability, and creating opportunities for sustainable growth. This is the type of project that not only meets a need, but helps redefine what is possible within the district.

We respectfully encourage full consideration of this project.

Sincerely,  
Heather Doty

A handwritten signature in black ink that reads "Heather Doty".

Director  
BIRDworks/East Billings Urban Renewal District



April 13, 2026



## **Glacier View Senior Pre-App Narrative**

Dear Board of Montana Housing:

Housing Solutions, LLC is pleased to submit Glacier View Senior, a new construction senior (age 55+) housing proposal in Columbia Falls for 29 new homes. After an extended multi-year search for the right site, we have secured an excellent location just off Veteran Dr. for this proposal. Columbia Falls has been significantly underserved by the LIHTC program. The last LIHTC award in Columbia Falls (for any population) was Teakettle Vista Apartments II in 2002, over 24 years ago<sup>1</sup>. No family or senior project has been funded since. The only other awarded projects, Columbia Villa Apts (family, 1999), Teakettle Vista Apts I (senior, 1999), and Columbia Arms (senior, 1990, compliance fulfilled), all predate 2000. The community has not seen a new affordable development of any kind in nearly a quarter century despite extraordinary growth in the community. This has created a severe bottleneck for the area's aging population. According to the Columbia Falls Housing Needs Study (March 2025), the city's entire inventory of income-restricted rentals was "constructed over 20-years ago" (Page 43). The study confirms that current "properties for seniors/persons with disabilities are full, with waitlists spanning several months to 1-year or more" (Page 43). Furthermore, 24 of these existing senior homes could see their affordability restrictions expire this year, meaning "units could shift to market prices" and exacerbate the existing crisis (Page 43).

A distinguishing feature of Glacier View Senior is its commitment to serving lower income seniors. Of the 28 income-restricted homes, eight homes, or 28% (five one-bedroom and three two-bedroom) will be set aside at the 30% AMI level with rents of just \$540 and \$650 per month which includes all utilities. These deeply affordable homes will serve seniors earning as little as \$16,200 per year (Mini MS – Page 22). The mini market study shows 9.7% of senior renter households earn less than \$15,000 annually, with another 8.1% earning between \$15,000 and \$24,999 (Mini MS – Page 12). The importance of these 30% rent limits is echoed in the Columbia Falls Housing Needs Study (March 2025), which explicitly states that "rentals for households earning less than 30% AMI are also in short supply" (Page 60). The study further emphasizes that "renter households with incomes below 60% AMI (\$45,000 per year) have very few options affordable to them in the Area" and are the most vulnerable to severe cost burdens (Page 11). These are the households most in need.

The combination of 9% Housing Tax Credits and the GO Housing – HMF loan program is what makes this project possible at 29 homes. Without the HMF program, the project would be limited to approximately 23 homes due to ever increasing construction costs and the tax credit per project cap. The HMF loan allows us to deliver a larger, more impactful project to Columbia Falls.

Glacier View Senior is ideally located to serve seniors in the Columbia Falls community. Logan Health Primary Care and Sykes Pharmacy are each less than half a mile away making access to medical and prescriptions convenient. Super 1 Foods is just 0.6 miles away, and the Columbia Falls Community Center, which serves as a hub for senior programming and social connection, is 1.3 miles away. Pinewood Park and Aquatic Center is less than a mile from the site, and downtown Columbia Falls, with its shops, restaurants, and services, is within a mile.

The mini market study demonstrates strong new unit demand which translates to a capture rate of just 1.9% and a penetration rate of 2.2% (Mini MS – Pages 28–29). The senior population (55+) in the primary market area grew from 37,568 in 2020 to 40,807 in 2025 and is projected to reach 45,912 by 2030 (Mini MS – Page 5). The age 55+ population currently comprises a large fraction of the total population at 36.1% (Mini MS – Page 7).

The project will be a single building with 20 one-bedroom and 9 two-bedroom homes (including one manager’s unit) with secured entry. Amenities include an elevator, community room with kitchen, exercise room, community patio, and shared garden. Each home will include standard appliances and in-home washer and dryer. Monthly rent includes all utilities, ranging from \$540–\$1,085 for one-bedroom and \$650–\$1,300 for two-bedroom homes. Additionally, six homes, representing over 20% of the project, will be fully accessible homes in compliance with Section 504 of the Rehabilitation Act. Glacier View Senior will also commit to a permanent affordability deed restriction, going above and beyond the 50-year Extended Use Period required by the QAP and ensuring that these homes remain affordable to seniors in Columbia Falls in perpetuity.

Lastly, the longstanding development team brings more than 20 years of Housing Tax Credit development experience, with 26 projects completed, 15 of which are in Montana.

Sincerely,



Alex Burkhalter

<sup>1</sup> MBOH Current List of Tax Credit Properties, <https://commerce.mt.gov/Housing/Developers/Housing-Credit/Housing-Preservation-Resources> (accessed 4/08/26)

**Project Name**

Glacier View Senior

**HC Requested (10 yr total)**

\$ 8,500,000

**Unit Numbers**

**Target**

1-bdrm	30%	5
1-bdrm	40%	2
1-bdrm	50%	8
1-bdrm	60%	4
2-bdrm	30%	3
2-bdrm	40%	1
2-bdrm	50%	3
2-bdrm	60%	2
other	mgr(60%)	1
Total Units		29
Average Income Targeting		45.86%

**Square Footage**

Income Restricted Units

18,438

Managers Unit(s)

600

Supportive Services

Common Space

6,117

Market/Commercial

Total

25,155

**Unit Rents**

1-bdrm	30%	540
1-bdrm	40%	720
1-bdrm	50%	905
1-bdrm	60%	1,085
2-bdrm	30%	650
2-bdrm	40%	865
2-bdrm	50%	1,085
2-bdrm	60%	1,300

**Project Costs**

Land	400,000
Building/Acquisition	
Site Work	675,000
Construction / Rehab	6,081,109
Soft Costs	1,216,139
Developer Fees	800,000
Reserves	128,843
Total Project Costs	\$ 9,301,091
Supportive Services Costs	
Residential Costs	\$ 9,301,091

**Financing Sources**

GO Housing - HMF Loan	2,300,000
Hard Loan	
Soft Loan	
Soft Loan	
State HOME	
State CDBG	
State NHTF	
Other	
Other	
Other	
Other	
Deferred Dev Fee	31,788
HC Equity Competative	6,969,303
HC Equity Non-Competative	
Total Sources:	\$ 9,301,091
% of Project Financed by HC:	74.93%

**Costs versus Sources**

Total Project Costs	\$ 9,301,091
Total Financing Sources	\$ 9,301,091
Difference	\$ -

**Bond Projects only**

Permanent Loan Requested	
Bond Issue Requested	
Bond Resolution Expected	\$ -
Maximum Bond Issue based on 60% Total Proj Cos	5,580,655
Bond Issuer	
Will it be structured as a bond or loan?	
Will it be a private placement or public sale?	
Will it be construction only or convert to perm?	
Expected closing date	

**Comparative Data for Presentation to the Board**

(additional data may be provided at staff discretion)

**Return on Sale of HTC**

HTC Requested	\$	8,500,000
HTC Equity	\$	6,969,303
HTC Return on Sale		0.82

**Per Unit Comparison**

	<b><u>Limits</u></b>		
Cost per unit total	n/a	\$	320,727
Cost per unit residential only	\$395,000	\$	320,727
Cost per unit Const / Rehab	n/a	\$	232,969
Credits per unit	n/a	\$	293,103

**Per Square Foot Comparison**

Construction / Rehab per sq ft	\$	269
Total Project Cost per sq ft	\$	370
Credits per sq ft	\$	338
Credits per sq ft (residential only)	\$	338

**Utilities Paid by (Tenant / Owner)**

Owner
-------

**Market Study Data:**

Units needed for Targeted AMI's	1,479
---------------------------------	-------



130 6<sup>th</sup> STREET WEST  
ROOM A  
COLUMBIA FALLS, MT 59912

PHONE (406) 892-4391  
FAX (406) 892-4413

May 6, 2026

Board of Montana Housing  
Montana Housing  
301 S. Park Ave., Suite 240  
Helena, MT 59620-0528

RE: Letter of Support for **Glacier View Senior**

Dear Members of the Board:

On behalf of the City of Columbia Falls, I am writing to express our support for Housing Solutions, LLC's application for Glacier View Senior, a proposed 29-unit affordable senior housing development. The City of Columbia Falls continues to experience a clear and immediate need for additional affordable rental housing, particularly for senior residents living on fixed incomes. As identified in the City's 2025 Housing Needs Study, the existing inventory of income-restricted rental housing is outdated, with two developments constructed more than two decades ago. Current senior and disability housing options are fully occupied, with waiting lists from several months to over a year. Additionally, residents earning below 60% of Area Median Income (AMI) face limited housing opportunities. This shortage represents a significant and growing challenge for a community experiencing continued population growth and increasing housing demand.

The proposed Glacier View Senior development would directly address these needs by providing 28 income-restricted homes for residents aged 55 and older, in addition to one on-site manager's unit. The project includes thoughtful design features such as a single-building layout with secured entry and elevator access, enhancing both safety and accessibility for its residents. Importantly, eight of the units will be dedicated to individuals earning at or below 30% AMI, serving one of the most vulnerable and underserved populations in our community.

The project's location is particularly well-suited for senior living. Essential services and amenities are within proximity, including Logan Health Primary Care, Sykes Pharmacy, Super 1 Foods, as well as downtown Columbia Falls, City parks, and the North Valley Senior Center. This accessibility supports independence, health, and community engagement for future residents. Ensuring that these units remain accessible to income-qualified seniors well into the future aligns with our community's goals of sustainable growth and housing stability.

Glacier View Senior is consistent with the housing priorities identified in the City's adopted planning documents, including our 2025 Housing Needs Study. The development represents a well-planned, community-oriented solution that will provide safe, stable, and affordable housing for Columbia Falls. For these reasons, the City of Columbia Falls respectfully urges Montana Housing to give favorable consideration to this application.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric Hanks". The signature is written in a cursive style and is positioned above the printed name.

Eric Hanks  
City Manager  
(On behalf of Mayor Donald Barnhart)

MBOH  
301 S. Park Ave.  
P.O Box 200528  
Helena, MT 59620

### **Great Falls I Affordable Housing**

Kamaka Affordable Housing, LLC plans to develop approximately 10 acres of land in Great Falls as a 184-unit family deal financed with 4% tax credits, GO Housing Funds, and tax-exempt bonds. The Great Falls I (the “Community”) will consist 3-story garden style buildings that will meet all pertinent zoning requirements. Construction will be wood-frame with three floors of residential over slab on-grade and surface level parking. The Community will consist of 51 one-bedroom units, 92 two-bedroom units and 41 three-bedroom units. The units will be equipped with washer and dryer hook ups.

On-site Community amenities will consist of access for persons with disabilities, clubhouse, office center, gym, play area, and 24-hour emergency maintenance service.

Kamaka will spend approximately \$190,000 per unit in hard cost to construct the new apartment community. The construction is tentatively scheduled to begin September 2026 and finish March 2028. The acquisition and construction of the community will be financed with proceeds from the sale of Low-Income Housing 4% Tax Credits, tax exempt bond and permanent financing.

**This project includes a request for \$3,000,000 of GO Housing Funds. Without this source, the project is not financially feasible. We are not utilizing any other forms of “soft debt” aside from a GP loan in order to successfully develop the project. Great Falls has not been provided with a large 4% bond development in it’s history. As of January 1<sup>st</sup>, 2026, Great Falls lost most of its QCT/DDA designation aside from a small area in the City’s core which has zero vacant property for development. We were able to submit our LIHTC application in December 2025 and secure the QCT designation for approximately 2 years. Without the associated basis boost provided by the QCT, there is no possible way this project would become feasible. It is of utmost importance that we take advantage of this opportunity and provide this housing within this short time frame. If we cannot secure the GO funds in 2026, it is likely that this project will dissolve with no assurance of when another QCT/DDA region will be instituted.**

The community is situated in a perfect location for accessibility to the town and other vital services that are important to the family residents. The location makes this a perfect addition to the underserved affordable housing stock in Great Falls, MT. The community has immediate proximity to key amenities that will elevate the experience of its residents such as grocery stores, pharmacies, public golf courses, schools and green space.

Amenities will include central heating/air conditioning, quality cabinets, patios/decks, in unit washer and dryer hook ups. The Community will target families who earn 60% of the area's median income.

There is substantial pent-up demand for affordable housing in the project's submarket. With anticipated low capture rates for our target renter base, the lease-up of the community is expected to be strong.

As a premier real estate development company, Kamaka will utilize its competitive advantages to ensure maximum development cost and financing efficiencies. As an owner/manager of over 70 apartment communities in the Western States, Wasatch and its affiliates can obtain very competitive local pricing for its construction contracts and materials, which translates to more effective and efficient use of taxpayer dollars.

<b>City</b>	<b>Great Falls</b>
<b>County</b>	<b>Cascade</b>
<b>Project Name</b>	<b>The Henley I</b>
<b>HC Requested</b>	26,104,200

<b><u>Unit Numbers</u></b>	<b><u>Target</u></b>	
1-bdrm	60%	51
2-bdrm	60%	92
3-bdrm	60%	41
Total Units		184
Average Income Targeting		60.00%

**Square Footage**

Income Restricted Units	162,280
Managers Unit(s)	-
Supportive Services	-
Common Space	29,720
Market/Commercial	-
Total	192,000

**Unit Rents**

1-bdrm	60%	935
2-bdrm	60%	1,116
3-bdrm	60%	1,281
Total Monthly Rents		202,878
vacancy factor		5.00%
Adjusted Rent		192,734
other/commercial income		23,916
total rent		216,650
x 12 months		12
Total Annual Income		2,599,801

**Expenses**

Administration	64,000
Management	74,579
Maintenance	137,565
Operating	398,000
Taxes	10,000
Replacement Reserve	64,400
Total Expenses	<u>748,544</u>

Net Income	
Before Debt	1,851,257

**Financing Sources**

Hard Loan	24,524,934
Hard Loan	3,000,000
Soft Loan	-
Soft Loan	-
State HOME	-
State CDBG	-
State NHTF	-
Other	-
Other	-
Other	-
Other	-
Deferred Dev Fee	5,265,397
HC Equity Competitive	-
HC Equity Non-Competitive	<u>21,976,934</u>
Total Sources:	54,767,265
% of Project Financed by HC:	40.13%

**Return on Sale of HTC**

HTC Requested	26,104,200
HTC Equity	21,976,934
HTC Return on Sale	0.842

**Ratios**

Rent (Income)	2,599,801
Operating Expenses	684,144
Reserves	64,400
Available for DS	1,851,257
Total Debt Service	\$1,468,171
Debt Coverage Ratio (DCR)	1.26
Total Expense Ratio	1.17

**Project Costs**

Land	2,052,067
Building/Acquisition	-
Site Work	1,600,000
Construction / Rehab	36,129,750
Soft Costs	8,220,012
Developer Fees	6,563,286
Reserves	202,150
Total Project Costs	54,767,265
Supportive Services Costs	-
Residential Costs	54,767,265

### **Costs versus Sources**

Total Project Costs	54,767,265
Total Financing Sources	<u>54,767,265</u>
Difference	-

### **Project Cost Limitations**

	<b><u>Limits</u></b>	
General Requirements	6.00%	5.65%
Contractor Overhead	2.00%	1.88%
Contractor Profit	6.00%	5.65%
Developer Fees	15.00%	14.28%
Soft Cost	40 or 45%	37.21%

### **Per Unit Comparison**

	<b><u>Limits</u></b>	
Cost per unit total	n/a	297,648
Cost per unit residential only	\$395,000	297,648
Cost per unit Const / Rehab	n/a	205,053
Credits per unit	n/a	141,871
Operating Cost per unit	\$3,000 min	3,718
Replacement Reserves	\$350 min	350

### **Per Square Foot Comparison**

Construction / Rehab per sq ft	188.18
Total Project Cost per sq ft	285.25
Credits per sq ft	135.96
Credits per sq ft (residential only)	160.86

**Utilities Paid by (Tenant / Owner)** Tenant

**DATE:** April 13, 2026

**TO:** Montana Board of Housing

**FROM:** Echo Enterprises

**RE:** Mountain Goat Court GO Fund Loan & 9% LIHTC Letter of Intent Narrative

Echo Enterprises, LLC and Human Resources Development Council District IV (HRDC) are pleased to submit this application for **Mountain Goat Court**. Located on the HRDC campus in Havre, Mountain Goat Court is planned as a 30-apartment affordable senior housing community with twenty one-bedroom and ten two-bedroom homes.

Mountain Goat Court is a practical response to a very real need. Older adults in Havre want to remain in their community safely, affordably, and with dignity. Right now, too many do not have that option.

### **Project Coordination and Necessary Funding**

The development team has worked diligently to explore financing opportunities for Mountain Goat Court, and we will continue to do so as the project moves forward. But the reality is simple: Havre has no local housing authority, it is not on a reservation, and the few local resources that do exist are already stretched thin.

For this reason, an award of 9% Low-Income Housing Tax Credits, together with favorable financing from the Montana Board of Housing's GO Fund and an allocation of federal HOME funds, is necessary to move this project forward. The GO Fund's below-market interest rate and property tax exemption are especially important to the long-term financial viability of Mountain Goat Court.

Havre is a rural community of fewer than 10,000 people, and like many rural places, it suffers from chronic underinvestment. According to the Montana Department of Commerce project database, Hill County's most recent 9% LIHTC award was the 2019 Oakwood acquisition/rehabilitation project. The county's most recent 9% LIHTC new construction investment was Antelope Court in 2015.

Over the last several years, Havre has experienced the same rising housing costs seen across Montana, while its existing housing stock continues to age and deteriorate. Unlike many larger communities, however, Havre has not seen the same level of state and federal housing investment. This funding is needed, and the need is urgent.

## **Public Benefit**

Hill County residents face serious economic challenges, and seniors feel them especially acutely. U.S. Census data shows that Hill County's median household income is \$52,790, compared to the statewide median of \$75,340. Poverty is also significantly higher in Hill County than statewide.

For older residents, these numbers become even more troubling. Approximately 35.5% of Hill County residents age 60 and older live in poverty, and 41.9% receive some form of public assistance income, including Social Security, SSI, or other assistance.

The HRDC's 2025 Community Needs Assessment reinforces what local residents already know:

- Lack of affordable housing is the number one issue and concern.
- 82% of respondents reported an insufficient number of affordable rental options.
- More than half said there is no adequate rental housing at all.
- 18% identified a specific and significant need for senior housing.

Mountain Goat Court's 30 affordable senior homes will directly address the need made clear by the needs assessment, census data, and market information. The property will serve households at 50% and 60% of area median income. Twenty one-bedroom apartments are projected to rent from \$754 to \$918 per month, and ten two-bedroom apartments from \$899 to \$1,096 per month.

These homes will give seniors in Havre a chance to stay in the community they know, in housing they can afford, with design features that support independence and peace of mind.

## **Design and Amenities**

Mountain Goat Court is located on the HRDC campus, adjacent to Buffalo Court, a LIHTC senior property, and Antelope Court, a LIHTC family property. This location offers real advantages for residents and for long-term operations. Bus service, the Havre Food Bank, LIEAP services, and opportunities for volunteering and social connection will be literally feet from residents' doors.

The design vision is senior-appropriate features balanced by the reasonable cost of a small footprint.

All homes will be one-level with zero-threshold entrances. Units will include walk-in or wheel-in showers, accessible kitchens, interior storage, and energy-efficient appliances. Large south-facing windows will bring in light, and the building systems will emphasize efficiency and long-term durability.

Just as important, the site is designed to support neighborliness and feelings of security in a cottage atmosphere. Front porches and back patios will provide private space while still allowing good visibility. Community gathering spaces, a walking path, benches, picnic tables, and garden areas will help create a stable and supportive little community within the larger community.

This is not just about housing units. It is about creating homes where seniors can feel safe, comfortable, and connected.

## **Financing**

Each of Mountain Goat Court's funding sources is important, and each one is carrying real weight in the capital stack. The requested GO Fund loan is well below the program maximum, but it is still a cornerstone source. Without it, the rest of the financing simply does not hold together.

Proposed funding sources include:

- \$2,225,000 GO Fund loan
- \$6,756,824 9% LIHTC equity
- \$1,150,000 HOME funds
- \$171,474 Deferred developer fee and general partner contribution

The project also benefits from a major local commitment: HRDC District IV is donating the land. That donated site, together with HRDC's longstanding presence, experience, and mission-driven ownership role, makes Mountain Goat Court an especially strong and practical investment. This land donation and the partnership with HRDC is a rare opportunity to create a lasting resource for the Havre community and the surrounding areas of Hill County.

## **Closing**

Mountain Goat Court is a needed and thoughtful response to Havre's shortage of affordable senior housing. It builds on an established local partnership, a donated site, and a service-rich location. Most importantly, it will provide older adults in Havre with affordable homes designed for independence, dignity, and community.

Thank you very much for your consideration. We sincerely appreciate the Board's time and review.

Sincerely,

**Beki Glyde Brandborg**

Developer

Echo Enterprises

(406) 431-2151

Beki@Montana.com

**Joshua Revious**

Executive Director

HRDC District IV

(406) 265-6743

ReviousJ@HRDC4.org

**Project Name**

Mountain Goat Court

**HC Requested (10 yr total)**

\$ 8,500,000

**Unit Numbers**

**Target**

1-bdrm 0% (HM/HTF)	4
1-bdrm 50%	11
1-bdrm 60%	5
2-bdrm 0% (HM/HTF)	2
2-bdrm 50%	4
2-bdrm 60%	4
Total Units	30
Average Income Targeting	53.00%

**Square Footage**

Income Restricted Units

20,000

Managers Unit(s)

Supportive Services

Common Space

3,500

Market/Commercial

Total

23,500

**Unit Rents**

1-bdrm 0% (HM/HTF)	754
1-bdrm 50%	754
1-bdrm 60%	918
2-bdrm 0% (HM/HTF)	899
2-bdrm 50%	899
2-bdrm 60%	1,096

**Project Costs**

Land	-
Building/Acquisition	-
Site Work	1,200,000
Construction / Rehab	6,175,000
Soft Costs	1,691,450
Developer Fees	1,100,000
Reserves	136,859
Total Project Costs	\$ 10,303,309
Supportive Services Costs	
Residential Costs	\$ 10,303,309

**Financing Sources**

Hard Loan	2,225,000
Hard Loan	
Soft Loan	
Soft Loan	
State HOME	1,150,000
State CDBG	
State NHTF	
Other	
Other	
Other	
Other	
Deferred Dev Fee	171,485
HC Equity Competative	6,756,824
HC Equity Non-Competative	
Total Sources:	\$ 10,303,309
% of Project Financed by HC:	65.58%

**Costs versus Sources**

Total Project Costs	\$ 10,303,309
Total Financing Sources	\$ 10,303,309
Difference	\$ -

**Comparative Data for Presentation to the Board**

(additional data may be provided at staff discretion)

**Return on Sale of HTC**

HTC Requested	\$	8,500,000
HTC Equity	\$	6,756,824
HTC Return on Sale		0.79

**Per Unit Comparison**

	<b><u>Limits</u></b>		
Cost per unit total	n/a	\$	343,444
Cost per unit residential only	\$395,000	\$	343,444
Cost per unit Const / Rehab	n/a	\$	245,833
Credits per unit	n/a	\$	283,333

**Per Square Foot Comparison**

Construction / Rehab per sq ft	\$	314
Total Project Cost per sq ft	\$	438
Credits per sq ft	\$	362
Credits per sq ft (residential only)	\$	362

**Utilities Paid by (Tenant / Owner)**

Tenant
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**Board Member  
Worksheet:**

<b>Project Name</b>	<b>City</b>	<b>Geographic Distribution</b>	<b>Managing / Developing Experience</b>	<b>% of units for Low to Mod</b>
1 Granite Heights	Butte			
2 Churchill Four Plex	Manhattan			
3 Homes on the Range	Roundup			
4 Wier Building	Roundup			
5 Broadway Apartments	Lewistown			
6 The Hogan	Missoula			

**Board Member  
Worksheet:**

<b>Project Name</b>	<b>City</b>	<b>Geographic Distribution</b>	<b>Managing / Developing Experience</b>	<b>% of units for Low to Mod</b>
1 Timberwolf Apartments 4%	Kalispell			
2 Elms Apartments 4%	Kalispell			
3 Woodward Flats 4%	Bozeman			
4 Saddlehorn Apartments 9%	Miles City			
5 Franklin Crossing 4%	Missoula			
6 Canyon View 4%	Hamilton			
7 LB Lofts 9%	Billings			
8 LB Lofts Laurel Gardens 4%	Billings/Laurel			

**Board Member  
Worksheet:**

<b>Project Name</b>	<b>City</b>	<b>Geographic Distribution</b>	<b>Managing / Developing Experience</b>	<b>% of units for Low to Mod</b>
9 Towers 9%	Billings/Laurel			
10 Towers 4%	Billings			
11 Eagles Manor 4%	Helena			
12 North Park 4%	Billings			
13 Glacier View Senior	Columbia Falls			
14 Henley I 4%	Great Falls			
15 Mountain Goat Court	Havre			

**Board Member  
Worksheet:**

<b>Project Name</b>	<b>City</b>	<b>Need in the Community</b>	<b>Lien Position: to Amount</b>	<b>Lien Position: other Loans</b>
1 Granite Heights	Butte			
2 Churchill Four Plex	Manhattan			
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**Board Member  
Worksheet:**

<b>Project Name</b>	<b>City</b>	<b>Project Location</b>	<b>Leverage Financing</b>	<b>Project Efficiency</b>
1 Granite Heights	Butte			
2 Churchill Four Plex	Manhattan			
3 Homes on the Range	Roundup			
4 Wier Building	Roundup			
5 Broadway Apartments	Lewistown			
6 The Hogan	Missoula			

**Board Member  
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**Board Member  
Worksheet:**

<b>Project Name</b>	<b>City</b>	<b>Location Considerations</b>	<b>Community Contributions</b>
1 Granite Heights	Butte		
2 Churchill Four Plex	Manhattan		
3 Homes on the Range	Roundup		
4 Wier Building	Roundup		
5 Broadway Apartments	Lewistown		
6 The Hogan	Missoula		

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